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# TIME

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BY ANDY SERWER & ALLAN SLOAN





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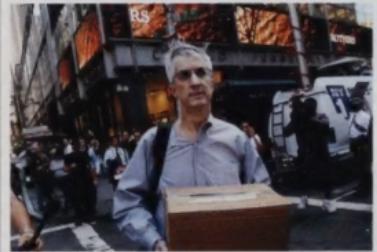
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To Our Readers

# Getting It Straight.

From the campaign to the financial crisis, in print and online, TIME is taking new approaches to meet a familiar goal: giving you the truth

THESE DAYS, THE PRESS CAN'T HELP being a player in the presidential campaign. We're the moderator—for better or for worse. The candidates talk to the public through the media, and the public talks to the candidates through our polls. The 24/7 news cycle—cable television, the Internet, the blogosphere—has the effect of trivializing big stories and making big stories out of trivial ones. It's disingenuous to say we're just the messenger, because we're often the message too.

There comes a time in every presidential campaign when the political parties attack the media. The high-water mark of that thus far was the Republican Convention. And while our approval ratings may not be as low as Congress's, we're far from beloved either. But I want to tell our readers that no matter the criticism, we strive to get it straight, to get it right. Our job is to tell the truth, as we see it, and if the facts don't match up with the campaign rhetoric or commercials, we tell you. We know what our job is: we work for you.

SPEAKING OF BEING A MODERATOR, last week 7 million viewers tuned in to watch the ServiceNation Presidential Forum at Columbia University, which I co-moderated with PBS's Judy Woodruff. TIME was a co-sponsor of the forum and the summit the following day, which included First Lady Laura Bush, Caroline Kennedy and Senators Hillary Clinton and Orrin Hatch. It was there that Senator Hatch announced his bipartisan national-service bill, co-sponsored by Ted Kennedy. I'm proud of TIME's continued leadership on this front, and I'm already looking forward to our third annual service issue next year.

LAST WEEK, TIME.COM UNVEILED A brand-new look. Conceived by the site's design director, Sean Villafranca, and executed by our director of product development, Shivani York, the idea was to bring the magazine's look and feel into the digital world while allowing our editors more flexibility for news, analysis and video. It looks great; have a look yourself.



Presidential candidates forum The nominees brought national service to the forefront



Savvy colleagues FORTUNE's Sloan, left, and Serwer penned our cover story



Cartoonist Diffee drew up our new feature, as well as his mustache

Check it out TIME.com displays a brand-new look and feel



THIS WEEK'S HARD-HITTING COVER STORY on the Wall Street meltdown was penned by two of our favorite colleagues from FORTUNE: Andy Serwer, the magazine's dynamic managing editor, and Allan Sloan, one of America's premier business journalists. We're pleased to have them in our pages, and you will be too.

AND FINALLY, I'M DELIGHTED TO announce the debut of our new cartoon page, Drawing Room, which is edited by Matthew Diffee. Diffee is one of the most talented and original cartoonists around, and his work appears frequently in the *New Yorker* and elsewhere. He'll be curating and contributing to the page, tapping the minds and pens of the best cartoonists in America.



*Rick*

Richard Stengel, MANAGING EDITOR

0 100 200 300 400 500

N



# ALASKA



**Kodiak**

57° 47' 35" N, 152° 23' 39" E

## Vaseline is about to prescribe a town in Alaska.

Vaseline is so confident in their new prescription strength moisturizer that they're testing it in one of the most challenging skin environments: Kodiak, Alaska. They gave it to one woman who could then freely prescribe it to anyone she thought might need it. Those prescribed, could also prescribe it on. One woman is about to prove that even dry skin can be amazing again.

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keeping skin amazing



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MY PROJECT WAS TO TELL UNFORGETTABLE STORIES.

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MY PROJECT WAS TO BRING A CITY TO LIFE.



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# 10 Questions.

The *30 Rock* star has written a book on divorce, *A Promise to Ourselves*. **Alec Baldwin will now take your questions**



## Next Questions

Ask Simon Pegg your questions for an upcoming interview, at [time.com/10questions](http://time.com/10questions)

What do you think of Tina Fey's impression of Sarah Palin?

*Katherine Thomson  
NEW YORK CITY*

Oh, my God. It was so perfect. She really is an incredible actress. She came into *30 Rock* having done the news segment on *Saturday Night Live* and some writing, and the more she goes out there on the ice, the better for her, because she can do just about anything.

Are Jack Donaghy and Liz Lemon going to hook up?

*Scott Jorna, LONDON*

Well, if they do, I hope they read my book about the pitfalls of high-conflict divorce. No, they're not going to hook up. The formula is better when they don't. Keep people wanting them to hook up, because once they do, the tension is gone.

Would Blake from *Glengarry Glen Ross* and Donaghy get along?

*David Reichwein  
INDIANAPOLIS*

I don't think the two of them would get along, because in [writer David] Mamet's world, human beings really behave like animals. They slaughter each other and eat each other and hunt each other and so forth. That's the opposite, I think, of Donaghy, because as pompous as he is, he avoids conflict as much as possible.

Your self-confidence is almost intimidating. Do you make a conscious effort to project it, or does it come naturally?

*Mauricio Beltran, CHICAGO*  
Well, that's not naturally who I am, you know. I understand what you're saying, but I don't think all the films I've made



ALEC BALDWIN... a TIME READER SINCE 1927.

have been that way. The ones that I made that were more vulnerable, people never see.

Do you ever regret not continuing in the role of Jack Ryan?

*Robert Urquhart, CHICAGO*  
No. I've learned in this business that if you regret the decisions you make, it's really tough—because there's a lot of them.

The phone message that you left for your daughter Ireland was widely publicized. Would you do things differently if you had another chance?

*Kate Delacour, LONDON*  
There's a lot of things I can say about that, but it's safe to say, I'd never done that in my life before. The book talks about the way I've been

treated, being inside of a system where there was never any acknowledgment of my rights as a father—none. I had been living with this for seven years. Obviously, as most people can deduce, I was really speaking to someone else on that voice mail.

Would you ever get married again?

*Catherine G. Pilie  
COVINGTON, L.A.*

Oh, Catherine. I need my pill. No, I think marriage is great. My friends who are married and who are happy, they're getting everything out of life you could have. Do I ever think I'll get married again? I don't know. I'm older now. Meeting somebody and getting married, it's tough.

How do you feel about your brother Stephen's conversion to Evangelical Christianity?

*Nicolas Christy, AUSTIN, TEXAS*  
If it wasn't political, I probably wouldn't have anything to say. But the Evangelicals who say AIDS is payback for homosexuals—you don't see liberals saying Hurricane Ike is payback for the Bush family living in Texas. I think that my brother really is very devout and very dedicated, and none of that bothers me until it becomes political.

What did you think of your puppet in *Team America: World Police*?

*Mahmoud Salem, CAIRO*  
I thought *Team America* was so funny. Kim Jong Il would say, "You are useless to me, Awec Bawdwin." And I'd go to school with my daughter, and her classmates would say that as I walked by. I hear these little kids go, "You are useless to me, Awec Bawdwin." And I'd be looking at them like, Ha, ha, great—back at you there, Kim Jong. I thought that movie was hysterical. Those guys are insane.

Which one of the Baldwin brothers is your favorite?

*Sally Verno, WILLIAMSON, N.Y.*  
In my family, it changes on a six-month cycle. We all pick one member of our family and trash that person, and then it rotates. So I would say right now my favorite Baldwin is probably my brother Daniel. ■

**VIDEO AT TIME.COM**  
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Let's Get You Home. **WHTI**

# Postcard: Berlin. Germans nostalgic for the Cold War can visit Checkpoint Charlie, ride in a Trabant and drink in a secret-police theme bar. In the new Germany, a hankering for the bad old days

BY STEPHANIE KIRCHNER

**I**DON'T KNOW IF I EVER HIT ANYONE. It was always dark," says Hans Holger, a 50-year-old truck driver, recalling his days as a 19-year-old border guard for the old German Democratic Republic, when he was required to shoot at fellow citizens trying to flee into West Germany. Hans Holger, who will give only his first name, later served a 17-month prison sentence himself for attempting to escape. Still, he's nostalgic for the old East, which is why he's a regular at Zur Firma, an East Berlin pub whose theme derives from the G.D.R.'s feared secret police, the Stasi. "I feel snug in this place," he says.

With its orange walls and rustic interior, the bar looks like any other in the former working-class district of Lichtenberg—but instead of a deer head mounted on the wall, Zur Firma has a surveillance camera over its front door. Other appointments include old wiretap devices and furnishings from what appears to be a 1970s interrogation room. Then there's the venue's name, which translates as "The Firm," a sobriquet for the Stasi. And its slogan: "Come to our place—or we'll come to yours."

Victims' organizations don't see the joke. They reacted furiously when the pub, situated just yards from the massive gray complex that used to house the Stasi, opened last month. The Union of Organizations for the Victims of Communist Oppression called for a boycott, warning that Zur Firma would "negate the suffering of thousands of former political prisoners." Owner Wolfgang Schmelz dismisses the accusations. "Nothing is being trivialized here; no victims are being mocked," he insists. "All it is, is satire."

Making light of East Germany's dark, prerulection past—"ostalgia," as the phenomenon is known—has come into vogue in recent years. Visitors to the once divided German capital can shop for G.D.R. souvenirs; stay at the Ostel, a G.D.R.-themed hostel; and take a "Trabi-



**Ostalgia** Tourists at Berlin's Checkpoint Charlie pose with an actor dressed as a U.S. soldier

safari," which involves sightseeing in a Trabant, the notoriously rickety East German automobile. Last month former Berlin senator for cultural affairs Thomas Flierl denounced as "tasteless mockery" a service that allows tourists at Checkpoint Charlie, the former crossing between East and West Berlin, to pose with actors dressed as U.S. and Russian soldiers.

The nostalgia industry leaves observers like Klaus Schroeder speechless.

"People really seem to think the G.D.R. was a big joke, which results in such crudities as a Stasi pub," says the political-science professor at Berlin's Free University. "What's next, a Gestapo Inn?" In a recent survey of 5,000 German teens, Schroeder and his col-

leagues found that many, especially those living in the former East Germany, had an extremely distorted view of it. More than half of respondents believed that the G.D.R. was "not a dictatorship" and that the Stasi was an intelligence service like any other, instead of ruthless secret police who helped detain, torture or harass an estimated 200,000 political

prisoners. "What people remember is not the real G.D.R. but a fictitious country that never existed," says Schroeder.

So why the fond memories of such an oppressive political system? "The older people are aware of what the G.D.R. really was like, but they don't say it," Schroeder says. "People generally tend to have a blurred vision of their own past lives. And the public and schools have failed to act as a counterbalance."

An overwhelming cause of nostalgia, however, is the economic hardship that followed reunification in 1990, as residents of the former G.D.R. struggled to keep up with their capitalist brothers to the west. Unemployment in the region runs close to 13%, more than double that in the rest of the country, prompting idealized memories of a time when the state assigned a job to every citizen. A Zur Firma regular named Jutta, 50, says the memories she shares with her 22-year-old daughter are less of the oppression than of the camaraderie. "I tell her that people were there for each other without expecting something in return," she says. As Hans Holger notes over his beer at the bar, "Ostalgia is better than what we have today."

**Global Dispatch**  
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New technological breakthroughs allow us to tap these resources, even in “ultra deep waters,” while protecting fragile marine environments. Recently, oil and natural gas companies employed advanced technologies to discover vast amounts of new oil and natural gas in the Gulf of Mexico – resources beyond our technical reach just a few years ago.

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Oil and natural gas make possible our unequaled quality of life. Ensuring such for future Americans will require policies that permit responsible, respectful access to America’s plentiful domestic oil and natural gas resources. These valuable resources are within our reach. Let’s work together to realize their potential.

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# Inbox



## Introducing Sarah Palin

ALTHOUGH I AM NOT A REPUBLICAN AND do not agree with Senator John McCain's war policy on Iraq—my son was killed there—I respect Sarah Palin for her decision to keep her Down-syndrome baby [Sept. 15]. I am the father of a 28-year-old Down-syndrome daughter, whom I've cared for almost single handedly since the death of her mother 16 years ago. My daughter has been a source of joy and hope in the midst of family setbacks. Even if Palin does not win the election, she at least has put a new face on Down syndrome. I thank her for that.

Joseph P. Nolan, WATERBURY, CONN.

TIME'S GREAT PHOTO OF GOVERNOR PALIN on this week's cover should scare the Democrats. You see a strong, intelligent, attractive and determined mien, a reminder of the women pioneers who helped make the Western U.S. great. She's an ideal partner for McCain, one who will help bring this country back to the position of strength and idealism it has occupied in the world.

Joe Chernicoff, LAS VEGAS

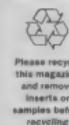
AS MANY OTHERS DO, I BELIEVE BRISTOL Palin's pregnancy is a family matter. Yet Governor Palin decided to accept McCain's offer to be his running mate knowing her daughter's pregnancy would become fodder for the press. Who thinks it's O.K. to put a 17-year-old girl through this?

Christopher B. Romeo, KNOXVILLE, TENN.

**'The problem with the war on cancer: we believe medical care is everyone's right but no one's responsibility. Government cannot be the sole funding source.'**

Adam Perrotta, SAN JOSE, CALIF.

**Survivor** Cyclist Lance Armstrong has put a famous face on the fight against cancer



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YOU HAVE TO ADMIRE PALIN'S HANDLERS, who have created an image of her as a victim of the media. It allows them to justify Palin's not having a single press conference. She is just protecting herself and her family. How convenient!

Janan Weinstein, CRYSTAL LAKE, ILL.

MCCAIN IS NO MAVERICK. HE HAS PICKED the religious right's dream VP candidate and put America in jeopardy.

Karen Wagner, ROLLING MEADOWS, ILL.

## Pain in Louisiana's Capital

I WAS HAPPY TO SEE YOUR ARTICLE ON Hurricane Gustav [Sept. 15]. Yet after reading it, I was sorry to see that TIME missed the boat. Nearly the entire two pages were about the city of New Orleans. New Orleans got lucky with Gustav. Baton Rouge, the state capital, is facing the worst electrical damage in its recorded history and isn't even mentioned. Ninety percent of the city was without power after Gustav hit. Thousands of homes were lost or suffered significant damage. New Orleans isn't the only city on the Gulf Coast.

Sarah Glover, BATON ROUGE, LA.

## The Case for Slow Food

THANKS FOR YOUR COVERAGE OF THE Slow Food movement [Sept. 15]. It is misleading, though, to claim that industrialized food "is the only way to economically feed a global population." There is nothing



## SETTING THE RECORD STRAIGHT

■ In our piece on long-term-care insurance [Sept. 15], we misstated the cost to a healthy 55-year-old buying basic long-term-care coverage. It is about \$1,000 annually, not monthly.

economical about a system contributing a big chunk of our greenhouse-gas emissions. The drivers of global deforestation are large-scale agribusinesses—not Sunshine heirloom-tomato farmers from Sonoma.

Anna Lappé, BROOKLYN, N.Y.

## Finding an Answer to Cancer

THE EXTRAORDINARY MISSED OPPORTUNITY in fighting cancer centers on the lack of primary prevention: avoid, reduce and eliminate exposure to carcinogens [Sept. 15]. Shamefully, the National Cancer Institute invests only a minuscule amount to prevent cancers, opting predominantly for a posteriori treatment. Mortality for certain cancers has decreased slightly in the past few years, but the incidence of cancers has not. With more than 100,000 chemicals and formula combinations on the consumer market and less than 5% evaluated for cancer-causing potential, it is past time for identifying chemical and environmental carcinogens.

James Huff, Ph.D., National Institute of Environmental Health Sciences

RESEARCH TRIANGLE PARK, N.C.

I FEAR THAT THE BATTLE AGAINST CANCER has turned into a study of greed. I am 60 and have been watching family members die from cancer all my life—among them were my grandfather and uncle, both nonsmokers who died of lung cancer. I believe scientists could find a cure, but will there ever be one? I can't believe so. How many jobs would no longer be necessary if a cure were found? Cancer has become big, big business.

S. Michael Long, LEVITTOWN, PA.

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# Briefing

THE WORLD □ VERBATIM □ THE PAGE □ HISTORY

□ POP CHART □ MILESTONES

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## The Moment

9/15/08: New York

SO MUCH FOR MASTERS OF the universe. The Lehman Brothers staffers trickling out of the firm's midtown Manhattan headquarters on Sept. 15 looked like prisoners on a perch walk. Overnight, the 158-year-old financial behemoth had filed for Chapter 11 bankruptcy protection, an implosion that presaged a day of calamity in the markets—the nadir of what former Fed Chairman Alan Greenspan has called a “once in a century” crisis. As media crews hovered, some of Wall Street’s best and brightest

staggered out onto the pavement, their faces crestfallen and their ties yanked askew.

Reporters buttonholed employees on their way out the door, asking how they would feel if they lost their jobs. “The really top execs screwed up very badly,” said an analyst who had arrived at work on Monday morning without any idea of what might happen beyond what he read in the *Wall Street Journal*. “They wouldn’t admit defeat.” Another put it more succinctly: “It’s over.” Executive recruiters hustled

around, extending business cards to anyone who resembled a banker, while a man leaning against the building’s facade hoisted a printed sign on white, letter-size paper:

LOOKING TO HIRE SYS ADMIN.  
A few feet away, Geoffrey

### At Lehman headquarters, scenes from a financial meltdown

Raymond, a painter, unveiled *The Annotated Fuld*—a large canvas of embattled Lehman Brothers chairman and CEO Richard Fuld rendered with sunken eyes in yellow brushstrokes—and invited employees and passersby to adorn it with

personal messages. The scrawlings ranged from angry missives (“You are a coward”; “Learn to respect the dollar”) to gallows humor (“This sucks! I’m going kiteboarding”; “Hakuna Matata [Means No Worries]”). A day later, Raymond hawked the painting for \$10,000.

In a crisis born of greed and recklessness, pity is in short supply. Jason L. Cohen, a psychiatrist, made the 1-hr. 40-min. drive from Freehold, N.J., with the intention of offering counsel to shell-shocked employees. But after witnessing the scene unfolding on the sidewalk, he decided to hold back. “I don’t have the heart to approach people carrying boxes out of their offices,” he said. —BY ALEX ALTMAN

# The World

10 ESSENTIAL STORIES



## 1 Zimbabwe

### If You Can't Beat 'Em ...

After six months of political chaos in a nation facing an acute economic crisis, rivals Robert Mugabe and Morgan Tsvangirai have reached an agreement to share power. While the terms of the deal are vague, it raises hope for stability in a country where inflation is estimated at more than 11 million percent, half the population is malnourished and 8 out of 10 people are unemployed and live on less than \$2 a day. Western economic sanctions on the country remain in place.

#### POWER-SHARING AGREEMENT



**Morgan Tsvangirai**  
Prime Minister  
MDC

- Chairs the Council of Ministers, which supervises the Cabinet
- Member of the National Security Council
- Controls the police
- Party's two factions hold 16 Cabinet seats



**Robert Mugabe**  
President  
ZANU-PF

- Chairs the Cabinet, which now includes 33 ministers
- Chairs the National Security Council, which oversees the military
- Party holds 15 Cabinet seats

#### Cabinet Ministers



Numbers:

97%

Percentage of Americans between the ages of 12 and 17 who play video games, according to a recent Pew survey

82

Number of goals scored by the Slovakian female hockey team in a shutout of Bulgaria—a goal every 43.9 sec.

## 3 China

### Tainted Baby-Food Shock

In a widening scandal, at least three babies have died and more than 6,200 have become sick after consuming milk contaminated with the nonfood substance melamine.



**MELAMINE:** A chemical composed of nitrogen, carbon and hydrogen that is often mixed with formaldehyde to make plastic

Beijing is investigating at least 22 companies that packaged tainted milk and yogurt sold in mainland China and Hong Kong. Melamine, a plastic compound that shows up as protein in some food tests, has been used by certain manufacturers in China to make their products appear more nutritious. In 2007, thousands of pets in the U.S. died after eating pet food contaminated with Chinese melamine.



*The Metrolink train was carrying 222 people when it crashed outside Los Angeles*

## 4 | Los Angeles

### A Case of Deadly Distraction?

Investigators are seeking the cell-phone records of a Metrolink train operator to determine whether he was sending text messages just moments before a fatal crash outside L.A. on Sept. 12. The passenger train missed a signal before it collided with a freight train—leaving 25 people dead and at least 130 injured in the deadliest U.S. rail accident in 15 years.

## 5 | Washington

### Drill, Baby, Drill

The U.S. House of Representatives passed a bill that would allow offshore drilling as close as 50 miles (80 km) from land but would curb tax benefits for oil companies and mandate greater use of renewable energy. Democrats, who for more than two decades have opposed coastal drilling, lauded the effort as a logical compromise, but Republicans dismissed it as a political gimmick unlikely to pass the Senate before the upcoming recess.

## 6 | South Africa

### Legal Victory

Ruling-party leader Jacob Zuma cleared a major hurdle in his quest to win the presidency in next year's election when a judge—citing a procedural error—dismissed corruption charges against him. Zuma, who wrested control of the African National Congress from President Thabo Mbeki last year, had faced 16 counts stemming from his alleged role in an arms deal.



## 7 | Texas

**COASTAL FURY** Hurricane Ike slammed into Galveston (above), and ensuing winds and rainfall drifted up through Texas and north into the Midwest, killing at least 51 people in 10 states and leaving millions without power. Heavy rains caused flooding along the banks of the Mississippi and Missouri rivers. In Texas, thousands of residents crowded into shelters and hotel rooms paid for by FEMA, many expecting to stay for weeks. Throughout the region, evacuees waited in long lines for food, water and gas.



## 8 | Bolivia

## Three-Way Standoff

South American leaders held an emergency summit in Chile to discuss the antigovernment protests that erupted in Bolivia in early September, leaving at least 18 people dead and 100 wounded. Present was Bolivian President Evo Morales, who earlier had called the rebellion a U.S.-backed coup d'état and expelled the U.S. ambassador. The U.S. called the claim baseless, throwing out its Bolivian ambassador in return. Venezuela's Hugo Chávez, claiming to have uncovered a U.S. plot against himself, removed his country's U.S. ambassador in solidarity with Bolivia—and prompted the U.S. to respond, again, in kind.

## 9 | Miami

## A Suitcase Full of Cash

Testimony in the trial of Venezuelan businessman Franklin Duran revealed how officials worked to conceal the source of a suitcase filled with \$800,000 intended for Argentine presidential candidate Cristina Fernández de Kirchner. Duran allegedly attempted to silence Guido Alejandro Antonini Wilson, the man who was caught with the suitcase in an airport in 2007 and who has suggested that President Hugo Chávez was involved.



*President Bush called the assault a "reminder that we are at war with extremists"*

## 10 | Yemen

## U.S. Embassy Attacked

A multipronged assault on the embassy in the capital, Sana'a, on Sept. 17 killed at least 16 people. No Americans were killed, security officials said, but Yemenis in line for visas, the assailants and Yemeni guards were among the dead. In addition to automatic weapons and rocket-propelled grenades being fired, a car bomb was detonated at the gates of the embassy. A State Department spokesman said the assault had "all the hallmarks of an al-Qaeda attack," although a group called Islamic Jihad claimed responsibility. The embassy has seen violence several times since 2002, including a mortar assault in March that accidentally hit a high school next door, wounding more than a dozen students.

## ★ | What They're Taxing in France:

Jean-Louis Borloo, Minister for the Environment, said France will begin taxing nonrecyclable cutlery and plates to entice consumers to buy more eco-friendly products. The so-called picnic tax of \$80 per lb. (\$1.29 per kg), part of an effort to curtail waste,

may be extended to cover other household items like washing machines, refrigerators and televisions. The nation has a similar system in place for cars, whereby heavily polluting vehicles pay steeper taxes.

**872,721**

Number of marijuana-related arrests in the U.S. in 2007—a record

**76**

Number of weapons misplaced by the Bureau of Alcohol, Tobacco, Firearms and Explosives over the past five years, according to a Justice Department report that accuses the agency of carelessness and sloppy record-keeping

# Verbatim

'Sex, drugs and the Bush Administration officials once again in cahoots with Big Oil.'

**CHUCK SCHUMER**, New York Senator, on a report charging that federal employees used drugs, had sex and exchanged improper gifts with energy-industry representatives

'We are not a flock of sheep who jump into the abyss just because one sheep has done so.'

**YULIA TYMOSHENKO**, Ukrainian Prime Minister, refusing to resign after President Viktor Yushchenko's party left the ruling coalition, causing the government to collapse

'It's undeniable who my relatives are, but I will do things the right way.'

**SOMCHAI WONGSAWAT**, Thailand's newly elected Prime Minister, on his brother-in-law, exiled former PM Thaksin Shinawatra

'You have been sworn to ignore it.'

**YALE GALANTER**, defense attorney, telling jurors at O.J. Simpson's robbery-kidnapping trial to forget about his 1995 murder trial

'I find this both interesting and disturbing.'

**HENRY T. GREELY**, Stanford Law bioethicist, after an Indian court convicted a suspect on the basis of evidence from a brain scan—a first

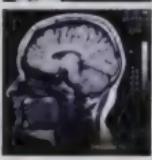
'Every time I thought I was getting somewhere, they'd start speaking Spanish.'

**CHARLIE RANGEL**, New York Representative, on his failure to pay taxes on a villa he owns in the Dominican Republic

'Maybe he thought he was going to have a more folksy ride.'

**BARBARA WALTERS**, cohost of *The View*, after Cindy McCain accused the show of attacking her husband during an appearance

For daily sound bites,  
visit [time.com/quotes](http://time.com/quotes)



## Back & Forth:



### The Great Outdoors

'This ruling will restore the quiet and the clean air in Yellowstone for everyone to enjoy.'

**AMY McNAMARA**, director of the Greater Yellowstone Coalition, after a federal judge rejected a plan to allow more than 500 snowmobiles a day into the national park

'Wyoming experts are the best stewards of our land, not radical federal Washington judges.'

Wyoming Senator **JOHN BARRASSO**, denouncing the ruling

### Plastics

'The FDA is ignoring all of this research.'

**FREDERICK VON SAAL**, a University of Missouri professor, on a report that links high levels of bisphenol A (BPA), a compound used in plastics, with diabetes and heart disease



'Right now, our tentative conclusion is that it's safe.'

**LAURA TARANTINO**, head of the FDA's office of food-additive safety, defending the agency's earlier assessment that the chemical posed no threat. Bottlemaker Nalgene announced plans to stop using BPA

### LEXICON

#### **fruit philanthropist** *n.*—

Someone who voluntarily harvests surplus fruit and then donates it to food banks and centers for the elderly

**USAGE:** "Thus was born North Berkeley Harvest, part of a small but expanding movement of backyard urban gleaners—they might be called fruit philanthropists." —New York Times, Sept. 14, 2008

# "Talk about a wake-up call. I had a heart attack at 57"

~ John E.  
Lafayette, CA  
Heart attack: 8/16/2007



**"I should have been doing more for my high cholesterol.  
I learned the hard way. Now I trust my heart to Lipitor.  
Talk to your doctor about your risk and about Lipitor."**

- When diet and exercise are not enough, adding Lipitor may help. Unlike some other cholesterol lowering medications, Lipitor is FDA-approved to reduce the risk of heart attack and stroke in patients with several common risk factors, including family history, high blood pressure, low good cholesterol, age and smoking.
- Lipitor has been extensively studied with over 16 years of research. And Lipitor is backed by 400 ongoing or completed clinical studies.

**IMPORTANT INFORMATION:** LIPITOR is a prescription drug. It is used in patients with multiple risk factors for heart disease such as family history, high blood pressure, age, low HDL ('good' cholesterol) or smoking to reduce the risk of heart attack, stroke and certain kinds of heart surgeries. When diet and exercise alone are not enough, LIPITOR is used along with a low-fat diet and exercise to lower cholesterol.

LIPITOR is not for everyone. It is not for those with liver problems. And it is not for women who are nursing, pregnant or may become pregnant. If you take LIPITOR, tell your doctor if you feel any new muscle pain or weakness. This could be a sign of rare but serious muscle side effects. Tell your doctor about all medications you

take. This may help avoid serious drug interactions. Your doctor should do blood tests to check your liver function before and during treatment and may adjust your dose. The most common side effects are gas, constipation, stomach pain and heartburn. They tend to be mild and often go away.

When diet and exercise alone are not enough, adding LIPITOR can help. LIPITOR is one of many cholesterol lowering treatment options that you and your doctor can consider.

*Please see additional important information on next page*



**LIPITOR**  
atorvastatin calcium  
tablets



Have a heart to heart with your doctor about your risk. And about Lipitor.  
Call 1-888-LIPITOR (1-888-547-4867) or visit [www.lipitor.com/john](http://www.lipitor.com/john)

*You are encouraged to report negative side effects of prescription drugs to the FDA.  
Visit [www.fda.gov/medwatch](http://www.fda.gov/medwatch) or call 1-800-FDA-1088.*

# IMPORTANT FACTS



**LIPITOR**  
atorvastatin Calcium

(LIP-ih-tore)

## LOWER YOUR HIGH CHOLESTEROL

High cholesterol is more than just a number, it's a risk factor that should not be ignored. If your doctor said you have high cholesterol, you may be at an increased risk for heart attack. But the good news is, you can take steps to lower your cholesterol.

With the help of your doctor and a cholesterol-lowering medicine like LIPITOR, along with diet and exercise, you could be on your way to lowering your cholesterol.

Ready to start eating right and exercising more? Talk to your doctor and visit the American Heart Association at [www.americanheart.org](http://www.americanheart.org).

## WHO IS LIPITOR FOR?

Who can take LIPITOR:

- People who cannot lower their cholesterol enough with diet and exercise
- Adults and children over 10

Who should NOT take LIPITOR:

- Women who are pregnant, may be pregnant, or may become pregnant. LIPITOR may harm your unborn baby. If you become pregnant, stop LIPITOR and call your doctor right away.
- Women who are breast-feeding. LIPITOR can pass into your breast milk and may harm your baby.
- People with liver problems
- People allergic to anything in LIPITOR

## BEFORE YOU START LIPITOR

Tell your doctor:

- About all medications you take, including prescriptions, over-the-counter medications, vitamins, and herbal supplements
- If you have muscle aches or weakness
- If you drink more than 2 alcoholic drinks a day
- If you have diabetes or kidney problems
- If you have a thyroid problem

## ABOUT LIPITOR

LIPITOR is a prescription medicine. Along with diet and exercise, it lowers "bad" cholesterol in your blood. It can also raise "good" cholesterol (HDL-C).

LIPITOR can lower the risk of heart attack or stroke in patients who have risk factors for heart disease such as:

- age, smoking, high blood pressure, low HDL-C, heart disease in the family, or
- diabetes with risk factor such as eye problems, kidney problems, smoking, or high blood pressure

## POSSIBLE SIDE EFFECTS OF LIPITOR

Serious side effects in a small number of people:

- **Muscle problems** that can lead to kidney problems, including kidney failure. Your chance for muscle problems is higher if you take certain other medicines with LIPITOR.
- **Liver problems**. Your doctor may do blood tests to check your liver before you start LIPITOR and while you are taking it.

Symptoms of muscle or liver problems include:

- Unexplained muscle weakness or pain, especially if you have a fever or feel very tired
- Nausea, vomiting, or stomach pain
- Brown or dark-colored urine
- Feeling more tired than usual
- Your skin and the whites of your eyes turn yellow

If you have these symptoms, call your doctor right away.

The most common side effects of LIPITOR are:

• Headache	• Constipation
• Diarrhea, gas	• Upset stomach and stomach pain
• Rash	• Muscle and joint pain

Side effects are usually mild and may go away by themselves. Fewer than 3 people out of 100 stopped taking LIPITOR because of side effects.

## HOW TO TAKE LIPITOR

Do:

- Take LIPITOR as prescribed by your doctor.
- Try to eat heart-healthy foods while you take LIPITOR.
- Take LIPITOR at any time of day, with or without food.
- If you miss a dose, take it as soon as you remember. But if it has been more than 12 hours since your missed dose, wait. Take the next dose at your regular time.

Don't:

- Do not change or stop your dose before talking to your doctor.
- Do not start new medicines before talking to your doctor.
- Do not give your LIPITOR to other people. It may harm them even if your problems are the same.
- Do not break the tablet.

## NEED MORE INFORMATION?

- Ask your doctor or health care provider.
- Talk to your pharmacist.
- Go to [www.lipitor.com](http://www.lipitor.com) or call 1-888-LIPITOR.

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can help. Call 1-866-706-2400 or visit  
[www.PfizerHelpfulAnswers.com](http://www.PfizerHelpfulAnswers.com).



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# The Page

BY MARK HALPERIN



Read Mark Halperin  
every day on  
[thepage.time.com](http://thepage.time.com)

## CAMPAIGN SCORECARD

ROUND	1	2	3	4
ISSUE	Economy	Momentum	Image	Tactics
ACTION	Hopeful Democrats ask: Can the latest Wall Street drama—and pervasive economic worry—carry their candidate straight into the White House? Perhaps, if Barack Obama conveys a clear plan and is seen to empathize with an anxious nation. In the end, though, the issue is such an albatross for the incumbent party that Obama may not need to improve his pitch to win.		McCain's self-engineered and Palin-fueled metamorphosis from experienced veteran to reformer-with-results maverick has proved effective, if risky. Obama has yet to cement his political persona—even as the electorate is readying its final judgment.	

Republicans continue to ride the Sarah Palin wave (amplified by a certain brouhaha involving a farm animal and cosmetics) to better poll numbers, increased fund-raising and possible frontrunner status. The Democrats made up some ground by week's end but are still reacting to the John McCain onslaught rather than driving the agenda and news cycle.

## RESULTS

REPUBLICANS	✓	✓	✓
DEMOCRATS	✓		
TIE			

## WINNER OF THE WEEK: REPUBLICANS

Democrats gained traction painting McCain as an out-of-touch, economically ignorant Bush clone who would sell his soul to win. But the GOP established its strategic offense long ago and is still playing the game better.



★ ★ ★ NOT ALL ROUNDS ARE CREATED EQUAL ★ ★ ★

The week's winner is based on the relative importance of each fight and by how much the winner takes each round.

## WEEK BY WEEK

	JUNE	JULY	AUG.	SEPT.	OCT.	TOTAL WEEKS WON
REPUBLICANS	✓	✓	✓	✓	✓	7
DEMOCRATS	✓	✓	✓	✓	✓	6

## TIME/CNN Poll: Battlegrounds stay tight

THERE'S NO CLEAR LEADER anywhere this week, forcing the candidates to play offense and defense in some big states.

### FLORIDA



TIME/CNN poll:  
**MCCAIN 48. OBAMA 48**  
2004 election results:  
**BUSH 52. JOHN KERRY 47**

### INDIANA



TIME/CNN poll:  
**MCCAIN 51. OBAMA 45**  
2004 election results:  
**BUSH 60. KERRY 39**

### NORTH CAROLINA



TIME/CNN poll:  
**MCCAIN 48. OBAMA 47**  
2004 election results:  
**BUSH 56. KERRY 44**

### OHIO



TIME/CNN poll:  
**OBAMA 49. MCCAIN 47**  
2004 election results:  
**BUSH 51. KERRY 49**

### WISCONSIN



TIME/CNN poll:  
**OBAMA 50. MCCAIN 47**  
2004 election results:  
**KERRY 50. BUSH 49**

All interviews were conducted via telephone. <sup>18</sup> Opinion Research Corp. Sept. 24-26. <sup>2</sup> The Florida, Indiana and North Carolina surveys have an error margin of 4 percentage points; while Ohio's and Wisconsin's is 3 percentage points.

# A Brief History Of:

## Presidential Debates



**W**HEN NETWORK EXECUTIVES BEGAN ORGANIZING THE nation's first-ever televised presidential debate in 1960, a pre-debate between Richard Nixon and John F. Kennedy began almost immediately. The candidates haggled over format, location, even dressing rooms, but in the end, the medium trumped the message. Sick with the flu and hobbled by a knee injury, Nixon looked pale and sweaty—an image that stuck with viewers far longer than his words did.

Nixon's successors couldn't forget either; it took nearly two decades for another incumbent to agree to a televised debate. In 1976, Gerald Ford sparred with Jimmy Carter to prove himself to a doubtful nation. It didn't work. Since then, the debate over debates has raged on. In 1980, Carter refused to participate after John Anderson became the first third-party candidate to argue his way onstage; in 1992 voters made their voices heard in the first debate with a "town hall" format. Eight years later, George W. Bush and Al Gore argued even more bitterly over debate format, with each camp releasing attack ads on the topic.

This year the candidates remain as cautious as ever—but both campaigns rejected invitations to attend a Google-YouTube forum in New Orleans—and perhaps rightly so. An estimated 65 million Americans will watch Barack Obama and John McCain duel for the first time on Sept. 26, many of whom will be documenting, dissecting and live blogging their every move. Debates have been called the political version of the Indianapolis Speedway; most viewers tune in to watch the candidates crash and burn. Or, at the very least, break a sweat. — BY M.J. STEPHEN

**The great debate** "He looked wonderful on my TV set," Nixon's wife Patricia told reporters

### OPEN FOR DISCUSSION

**1858** Senate hopefuls



Abraham Lincoln and Stephen Douglas stage the first nationally significant debates

**1948** More than 40 million Americans listen to the radio broadcast of the country's first primary debate

**1987** Democrats and Republicans establish the Commission on Presidential Debates to organize events; third-party candidates cry foul

**1992** Ross Perot elbows into the first national town-hall debate



2007 CNN digitizes the town-hall format with questions submitted via YouTube

### THE SKIMMER



#### The Numerati

By Stephen Baker  
Houghton Mifflin; 244 pages

THEY'RE WATCHING YOU. And every time you click on a website, make a cell phone call, swipe a credit card or walk past a security camera, they take note. Stephen Baker could have easily gone for spooky in this depiction of the Numerati—his term for the computer scientists and mathematicians who sort through all the data we throw off in our daily lives, helping corporations and governments predict (and manipulate) our next move. But Baker's deep reportage goes beyond smart shopping carts that entice us to run up our grocery bills and political messages crafted on our preference for Chianti. The Numerati are also behind the algorithms that drive matchmaking websites, the National Security Agency's work to nab terrorists before they strike and, increasingly, the cutting edge of medicine. Consider a "magic carpet" that detects changes in your elderly father's weight and gait—tipping off his doctor to a potential illness. The Numerati, Baker writes, try to model "something almost hopelessly complex: human life and behavior." They're making progress.

— BY BARBARA KIVIAT

READ  
SKIM  
TOSS

# Pop Chart



**MICHAEL DOUGLAS** being considered for Steven Soderbergh's Liberace biopic



Two thumbs down! New York Post critic walllops **ROGER EBERT** at filmfest



**DAMIEN HIRST** smashes art auction records. Bidders unsure which wall would look best with a formaldehyde preserved shark



**AMY POEHLER** announces she's leaving SNL after the election



**J. LO** too injured to appear as judge on *Project Runway*, O.K. to complete first triathlon



**SAMUEL L. JACKSON**, Hollywood's highest grossing actor; **NICOLE KIDMAN**, its most overpaid



OMG! MTV's **TRL** RIP



Guinness Book of World Records lists **BRANGELINA** as most powerful Hollywood couple. Rankings based on number of children

## SHOCKING

Quasi-reality-show star **LAUREN CONRAD** scores three book deal for quasi fiction



**SARAH SILVERMAN** picks up Emmy for the song I'm f@%#\*!%@# Matt Damon



**BATMAN** comic accidentally released full of profanity. Still got nothing on Silverman



**TINA FEY** dresses up as **SARAH PALIN**, who once dressed up as Tina Fey



## PREDICTABLE



Opening of Stockholm **ABBA** museum delayed; **JOHN MCCAIN** cancels his vacation plans



**KANYE WEST** involved in 8 a.m. scuffle with paparazzi at I AX. Not a morning person, that Kanye



*The Dark Knight* to be rereleased for **OSCAR** consideration in January. Cue backlash ... now

## SHOCKINGLY PREDICTABLE

# Drawing Room

EDITED BY MATTHEW DIFFEE



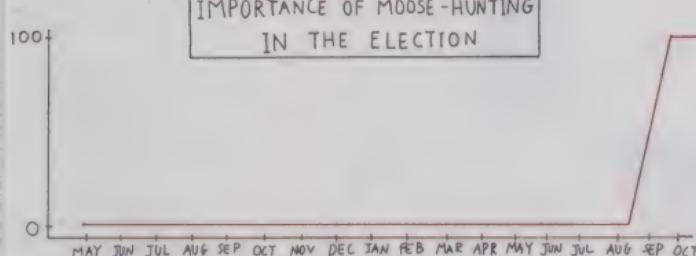
## Woulda, Coulda, Shoulda...



## Strong?

John McCain just described the economy as fundamentally strong. To put that comment into perspective, here are a few other things that McCain describes as fundamentally strong

- ✓ His PowerPoint skills
- ✓ Mild salsa
- ✓ Eddie Murphy's recent film career
- ✓ Papier-mâché



Kanin



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# Milestones



## Peter Camejo

PETER MIGUEL CAMEJO, THE *magnánimo caballero* of American third-party politics, who died Sept. 13 at 68, was an irrepressible force of nature. When he spoke out for justice throughout the Americas, not only his body shook, but so did the entire room. As a student leader, he was ex-

peled from Berkeley in 1967 for the "unauthorized use of a microphone," and later Ronald Reagan put him on his list of the 10 most dangerous people in California because he was "present at all antiwar demonstrations." Peter was a civil rights advocate

Wright was proof that not every rock star feels the need to act like one. "In the welter of arguments about who or what was Pink Floyd, Rick's enormous input was frequently forgotten," said Wright's bandmate David Gilmour in a release. "But his soulful voice and playing were vital, magical components."

Wright taught himself how to play piano (and several other instruments) as a jazz-mad child growing up in London, and brought a sense of improvisation to the R&B group he formed with school friends Roger Waters and Nick Mason. When Syd Barrett joined in 1965, the band was renamed and redirected, matching Barrett's weirdness and whimsy with orchestral swells

Hey, you Wright, center, with Pink Floyd bandmates



## Richard Wright

RICHARD WRIGHT, THE PINK Floyd keyboardist who died of cancer at age 65, didn't play many solos or sing lead on anything you're likely to remember. He had just two moments to himself in the songwriting sun: the echo-heavy ballad *Us and Them* and the wordless *The Great Gig in the Sky* from Pink Floyd's sad epic *Dark Side of the Moon*. Shy, gentle and very private,

and a leader in the socially responsible-investment industry who used his eloquence and barnstorming bravado to blaze a trail for 21st century third-party politics. He was a candidate for state and national office, making three gubernatorial runs in California as a Green, and in the 2004 presidential election, he was my running mate on our independent ticket. Among the many causes Peter championed were a living wage, health care for all and making the U.S. the world leader in renewable energy. His lifework

will inspire the political and economic future for a long time.

—BY RALPH NADER

Nader is running for President as an independent



and experimentalism. After Barrett left the group because of mental instability and was replaced by Gilmour, the cohesiveness at the core was never quite the same. Waters seized creative control and reportedly threatened not to release 1979's *The Wall* unless Wright quit; he did, although he eventually came back to the band he loved. Even though Wright was happiest at the side of the stage, it offended his principles that Waters demanded the center. At one point, the two went 14 years without speaking.

Wright's relationship with Gilmour was far more affectionate. The two remained friends and collaborators until the end. "Whenever

Dave wants me," said Wright, "I'm really happy to play with him."

—BY JOSH TYRANGIEL

**DIED** Over a 22-year career, sculptor **Tina Allen** crafted more than a dozen sculptures, busts and bas-reliefs of black activists and leaders such as A. Philip Randolph, George Washington Carver and Dr. Martin Luther King Jr. Perhaps her best-known creation was a 13-ft. (4 m) bronze sculpture of Alex Haley, author of the 1976 novel *Roots*. Allen's art, displayed in public spaces across the country, continues to honor African-American leaders. She was 58.



■ Honky-tonk singer **Charlie Walker**'s most popular tune was the 1958 recording of *Pick Me Up On Your Way Down* by Harlan Howard, which hovered at No. 2 on country-music charts for a month. While he had a handful of other country hits, many of Walker's fans got to know the Tennessee native's voice when he became a popular DJ for the Texas radio station KMCA. His years as a broadcaster earned him induction into the Country Music DJ and Radio Hall of Fame in 1981. Four years later, he portrayed a country singer in *Sweet Dreams*, a film about the life of legendary crooner Patsy Cline. Walker died of colon cancer at age 81.

■ For the better part of five decades, former Lao President **Nouhak Phoumsavanh** held the second highest position in what is now Laos' ruling communist organization, the Lao People's Revolutionary Party. He first became involved with the group in 1945, when Laos was still under French rule, and later represented a Lao communist organization at the 1954 conference in Geneva that ultimately resulted in independence for his homeland. Toward the end of his long tenure in government, he succeeded President Kayxone Phomvihan when he died in 1992. Nouhak, who was President through 1998, died at 98.

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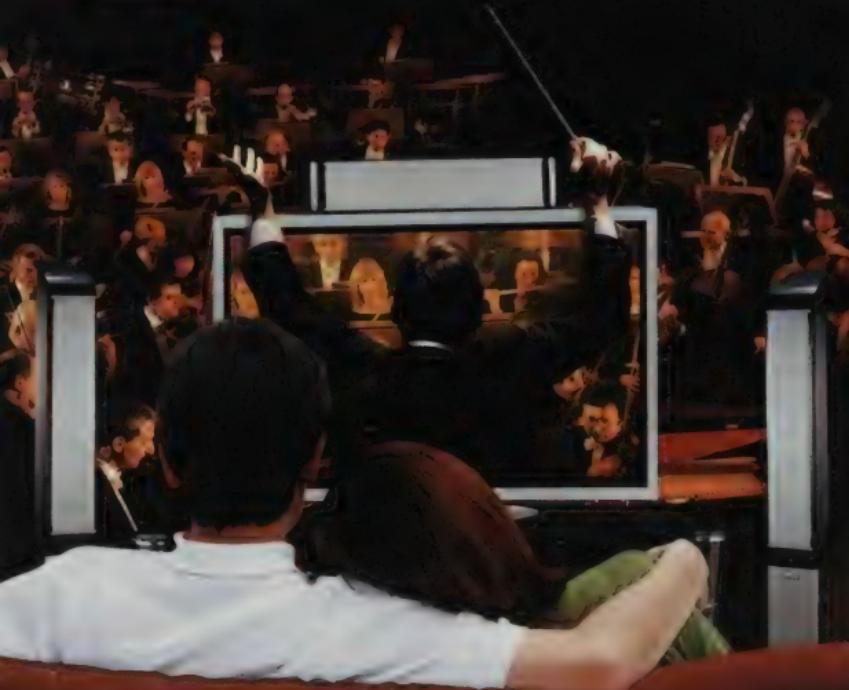
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Joel

# Stein

## Fashion Frills. Hanging out with a mesmerizing array of models can do things to your brain

BEFORE I GOT TO NEW YORK FOR FASHION Week, I had a lot of questions. Like, what season will they be showing? It seemed too late for fall, and I've never heard of a winter fashion line, so I guessed spring. But I was hoping for summer, since that would mean bikinis. And maybe monokinis, which I have a fashion preference for.

It turned out I didn't know a whole lot of things. Like that fashion shows are the most serious events in the entire world. Nobody in the audience smiles or talks; the models look like they're on the Bataan death march; and people slowly, lifelessly clap at the end. I've been to political panels, criminal trials, locker rooms of playoff losers, graduate English classes and the Ron Paul convention, and I've never seen people take themselves quite this seriously.

Vogue editor Anna Wintour, whom I vaguely knew as the lady who wears Prada and is remarkably similar to the Devil, has two bodyguards—that's how serious fashion is. I've interviewed a lot of celebrities, and you know who had bodyguards? Nobody. I walked up to one of the bodyguards and asked him if he could handle a client who needs bodyguarding a little more than Anna Wintour does. "I think so," he said. "I have." I did not know until right then that bodyguards are allowed to act embarrassed.

Despite everything I'd ever heard, I quickly discovered that models aren't that hot. They're interesting-looking and striking and seem scary to talk to, but they didn't turn me on. I was so confused by this that I went backstage

at the Donna Karan show to get an up-close look at Arlenis Sosa, who I was told is the new face of fashion. Sosa, 19, was pretty and awfully nice but mostly just really tall and outrageously skinny. Though she bragged to me about having just finished a salad and a kiwi, she paused when I asked her if that salad had dressing. "I don't like dressing," she said. I gave her a look. "Because I can't



be fat," she continued. "I do like it. But I don't want any."

**I got so tired of wan, 16-year-old East European models that I woke up super early to go to the Victoria's Secret show. Which, it turned out, was actually just a PowerPoint presentation by its CEO. It was like waking up for Christmas and discovering it's CEO PowerPoint Day. I did, however, learn that the main thing Victoria's Secret looks for in a new "supermodel" is "confidence," followed by "the ability to give back to the community." I'm guessing No. 3 is a tie between a huge heart and a working knowledge of constitutional law.**

The best kind of fashion show is called a "presentation." Instead of sitting down and waiting an hour for models to walk, you walk around to different rooms

where models lounge around in gowns. It's like a Disney revue—the Country Bear Jamboree, except the bears are women who never eat and the jamboree consists of acting bored. When I exited, I asked if I could go again.

At the Halston "presentation" at the Museum of Modern Art, TIME fashion editor Kate Betts introduced me to Veronica Webb, who is a former model. I knew this because a) I'd heard of Veronica Webb, and b) she was wearing a T shirt that said "iModel." I asked Webb if I was allowed to touch the models being presented. She said it was totally O.K. as long as I pretended I wanted to touch the fabric. Webb said someone told her that what a fabric feels like is more important than what your husband feels like, since you spend more time touching the fabric. I wanted to hear more fashion wisdom from Veronica Webb, but I had models to touch.

**I asked Sharan if I could touch her pants, and she readily agreed. I asked her what they were made of. "They didn't tell me," she said, before quickly covering. "It's beautiful. And a beautiful color." Sharan also didn't know the name of the model she was sharing the couch with. I sat down on the couch between Sharan and the model whose name we both didn't know and smiled for a photo. I'm pretty sure not even Veronica Webb would say that was O.K.**

Shortly after, I ran into movie producer Harvey Weinstein, who, for some reason, owns Halston. When I asked him why he bought it, Weinstein said, "I'm a red-blooded American male. I get to hang out with models." We both laughed a particularly creepy kind of laugh, and then he said, "You and I know the least about fashion in this room. But I bet you can tell me Ty Cobb's batting average." Yes, I told him, I sure could. Unfortunately, he then asked me what Ty Cobb's batting average was. I said, ".421," with a lot of conviction. Weinstein said it was .367. To which I responded with no knowledge and a tone of absolute certainty that .421 was Cobb's best year. You can get away with some pretty stupid comments when you're both staring at models.

**Fashion shows are the most serious events in the entire world. Nobody in the audience smiles or talks; the models look like they're on the Bataan death march**

A message from your heart...

# Your attention, please!



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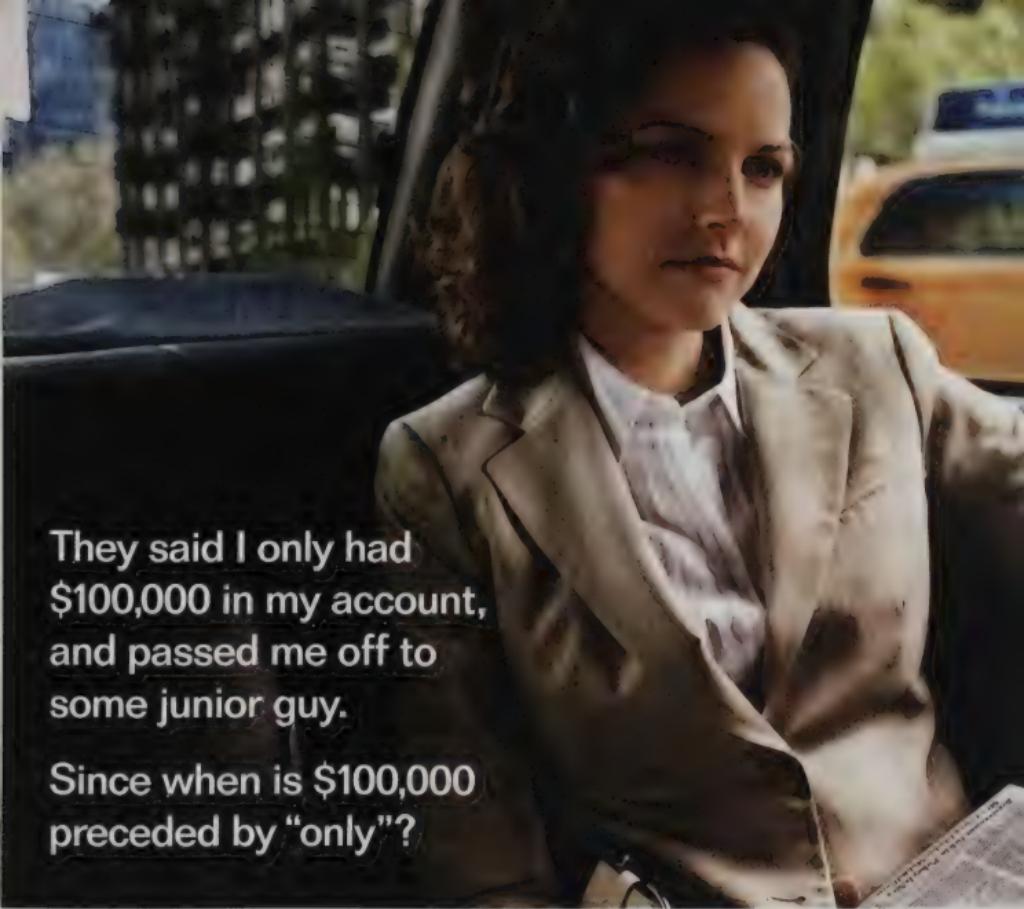
That's why it's important to take good care of me. So do me a favor and talk to your doctor about whether aspirin is right for you. It can help prevent a heart attack. And St. Joseph® aspirin only comes in one low 81mg dose. That's the dose most recommended by doctors for daily heart therapy.

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Joe

# Klein

## The Lying Game. Every politician stretches the truth. But McCain is running a uniquely dishonest campaign

POLITICS HAS ALWAYS BEEN LOUSY WITH blather and chicanery. But there are rules and traditions too. In the early weeks of the general election campaign, a consensus has grown in the political community—a consensus that ranges from practitioners like Karl Rove to commentators like, well, me—that John McCain has allowed his campaign to slip the normal bounds of political propriety. The situation has gotten so intense that we in the media have slipped our normal rules as well. Usually when a candidate tells something less than the truth, we mince words. We use euphemisms like *mendacity* and *inaccuracy* ... or, as the Associated Press put it, "McCain's claims skirt facts." But increasing numbers of otherwise sober observers, even such august institutions as the New York Times editorial board, are calling John McCain a liar. You might well ask, What has McCain done to deserve this? What unwritten rules did he break? Are his transgressions of degree or of kind?

**Almost every politician stretches the truth.** We journalists try to point out the exaggerations and criticize them, then let the voters decide. When McCain says, for example, that Barack Obama favors a government run health care system, he's not telling the truth—Obama wants a market based system subsidized by the government—but McCain's untruth illuminates a general policy direction, which is sketchy but sort of within the bounds. (Obama's plan *would* increase government regulation of the drug and insurance industries.) Obama has done this sort of thing too. In July, he accused

**The McCain camp has decided that its candidate can't win honorably, on the issues, so it has resorted to transparent and phony diversions**

McCain of supporting the foreign buyout of an American company that could lead to the loss of about 8,000 jobs in Wilmington, Ohio. McCain did support the deal, but the job loss comes many years later and was not anticipated at the time. That, however, is where the moral equivalency between these two campaigns ends.

McCain's lies have ranged from the annoying to the sleazy, and the problem is in both degree and kind. His campaign has been a ceaseless assault on his opponent's character and policies, featuring a consistent—and witty—disdain for the truth. Even after 38 million Ameri-



cans heard Obama say in his speech at the Democratic National Convention that he was open to offshore oil drilling and building new nuclear power plants, McCain flatly said in his acceptance speech that Obama opposed both. Normal political practice would be for McCain to say, "Obama says he's 'open to' offshore drilling, but he's always opposed it. How can we believe him?" This persistence in repeating demonstrably false charges is something new in presidential politics.

Worse than the lies have been the smears. McCain ran a television ad claiming that Obama favored "comprehensive" sex education for kindergartners. (Obama favored a bill that would have warned kindergartners about sexual predators and improper touching.) The

accusation that Obama was referring to Sarah Palin when he said McCain's effort to remarket his economic policies was putting "lipstick on a pig" was another clearly misleading attack—an obnoxious attempt to divert attention from Palin's lack of fitness for the job and the recklessness with which McCain chose her. McCain's assault on the "elite media" for spreading rumors about Palin's personal life—actually, the culprits were a few bloggers and the tabloid press—was more of the same. And that gets us close to the real problem here. The McCain camp has decided that its candidate can't win honorably, on the issues, so it has resorted to transparent and phony diversions.

**This new strategy emerged during the first week of Obama's overseas trip in late July.** McCain had been intending to contrast his alleged foreign policy expertise and toughness with Obama's inexperience and alleged weakness. McCain wanted to "win" the Iraq war and face down the Iranians. But those issues became moot when the Iraqis said they favored Obama's withdrawal plan and the Bush Administration started talking to the Iranians. At that point, McCain committed his original sin—out of pique, I believe—questioning Obama's patriotism, saying the Democrat would rather lose a war than lose an election. Ever since, McCain's campaign has been a series of snide and demeaning ads accompanied by the daily gush of untruths that have now been widely documented and exposed. The strategy is an obvious attempt to camouflage the current unpopularity of his Republican brand, the insubstantiality of his vice presidential choice, and his agreement on most issues—especially economic matters—with an exceedingly unpopular President.

The good news is that the vile times may be ending. The coming debates will decide this race, and it isn't easy to tell lies when your opponent is standing right next to you. The Wall Street collapse demands a more sober campaign as well. But these dreadful weeks should not be forgotten. John McCain has raised serious questions about whether he has the character to lead the nation. He has defaced his beloved military code of honor. He has run a dirty campaign.

# The Price Of Greed

For years the financial markets roared along as if there were nothing to fear. Now it's payback time—and all of us will be feeling the pain

BY ANDY SERWER AND ALLAN SLOAN

**I**F YOU'RE HAVING A LITTLE TROUBLE coping with what seems to be the complete unraveling of the world's financial system, you needn't feel bad about yourself. It's horribly confusing, not to say terrifying: even people like us, with a combined 65 years of writing about business, have never seen anything like what's going on. Some of the smartest, savviest people we know—like the folks running the U.S. Treasury and the Federal Reserve Board—find themselves reacting to problems rather than getting ahead of them. It's terra incognita, a place no one expected to visit.

Every day brings another financial horror show, as if Stephen King were channeling Alan Greenspan to produce scary stories full of negative numbers. One weekend, the Federal Government swallows two gigantic mortgage companies and dumps more than \$5 trillion—yes, with a *t*—of the firms' debt onto taxpayers, nearly doubling the amount Uncle Sam owes to his lenders. While we're trying to get our heads around what amounts to the biggest debt transfer since money was created, Lehman Brothers goes broke, and Merrill Lynch feels compelled to shack up with Bank of America to avoid a similar fate. Then, having sworn off bailouts by letting Lehman fail and

wiping out its shareholders, the Treasury and the Fed reverse course for an \$85 billion rescue of creditors and policyholders of American International Group (AIG), a \$1 trillion insurance company. Other once impregnable institutions may disappear or be gobbled up.

The scariest thing to average folk: one of the nation's biggest money market mutual funds, the Reserve Primary, announced that it's going to give investors less than 100¢ on each dollar invested because it got stuck with Lehman securities it now considers worthless. If you can't trust your money fund, what can you trust? To use a technical term to describe this turmoil: *yechhh!*

There are two ways to look at this. There's Wall Street's way, which features theories and numbers and equations and gobbleygook and, ultimately, rationalization (as in, "How were we supposed to know that people who lied about their income and as sets would walk away from mortgages on houses in which they had no equity? That wasn't in our computer model. It's not our fault"). Then there's the right way, which involves asking the questions that really matter: How did we get here? How do we get out of it? And what does all this mean for the average joe? So take a deep breath and bear with us as we try to explain how financial madness overtook not only Wall Street but also Main Street. And why, in the

end, almost all of us, collectively, are going to pay for the consequences.

Going forward, there's one particularly creepy thing to keep in mind. In normal times, problems in the economy cause problems in the financial markets because hard-pressed consumers and businesses have trouble repaying their loans. But this time—for the first time since the Great Depression—problems in the financial markets are slowing the economy rather than the other way around. If the economy continues to spiral down, that could cause a second dip in the financial system—and we're having serious trouble dealing with the first one.

## The Roots of the Problem

HOW DID THIS HAPPEN, AND WHY OVER the past 14 months have we suddenly seen so much to fear? Think of it as payback. Fear is so pervasive today because for years the financial markets—and many borrowers—showed no fear at all. Wall Streeters didn't have to worry about regulation, which was in disrepute, and they didn't worry about risk, which had supposedly been magically whisked away by all sorts of spiffy nouveau products—derivatives like credit default swaps. (More on those later.) This lack of fear became a hothouse of greed and ignorance on Wall Street—and on Main Street as well. When greed exceeds fear, trouble follows. Wall Street has always been a

Serwer is managing editor of *FORTUNE*;  
Sloan is a senior editor at large

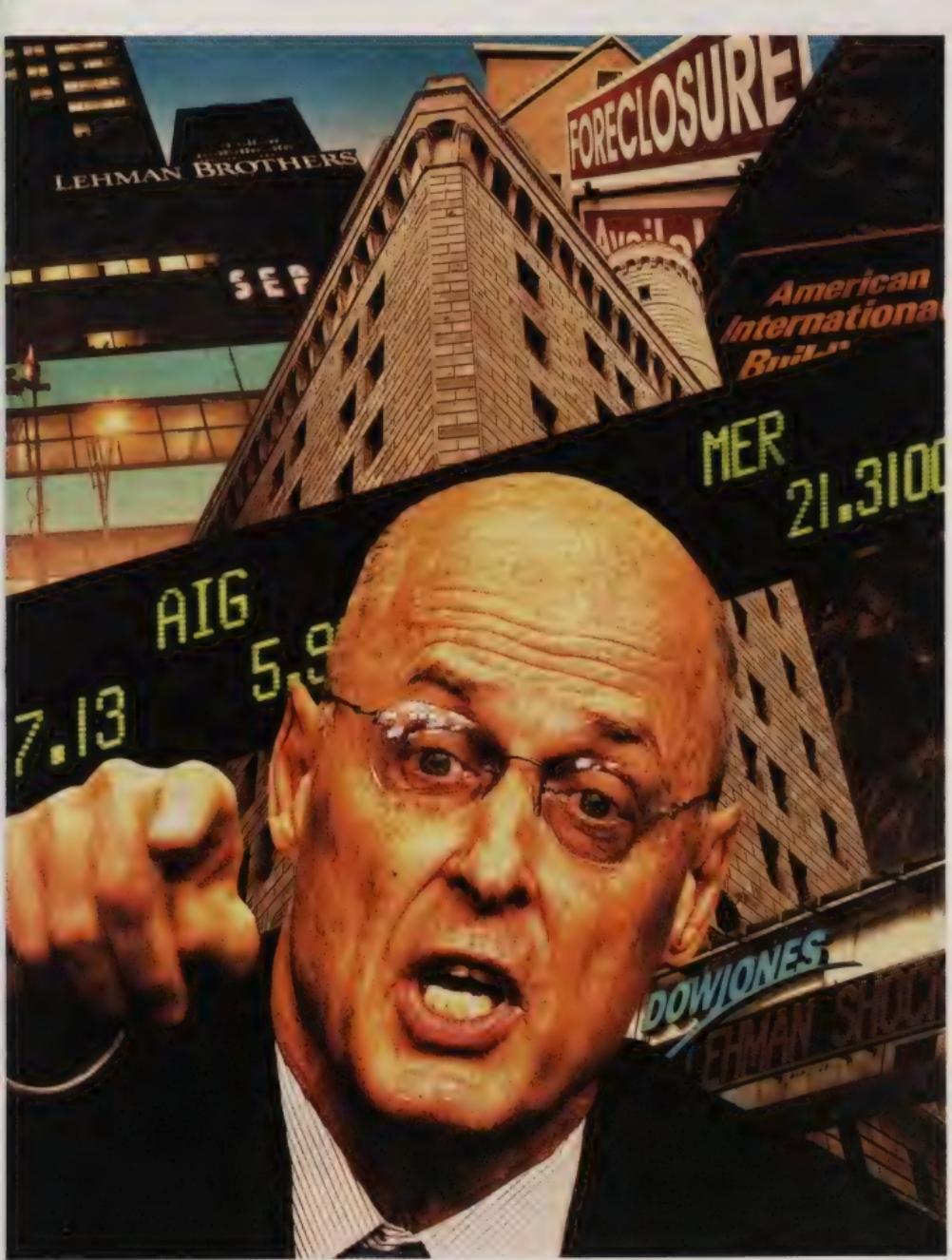


Illustration for TIME by Sean McCabe



**'It is essential for us to make sure that the U.S. remains the pre-eminent financial market of the world ... In order to do this, major reform must be made in Washington and on Wall Street.'**

—SENATOR JOHN MCCAIN

greedy place and every decade or so it suffers a blow resulting in a bout of hand-wringing and regret, which always seems to be quickly forgotten.

This latest go-round featured hedge-fund operators, leveraged-buyout boys (who took to calling themselves "private-equity firms") and whiz-kid quants who devised and plugged in those new financial instruments, creating a financial Frankenstein the likes of which we had never seen. Great new fortunes were made, and with them came great new hubris. The newly minted masters of the universe even had the nerve to defend their ridiculous income tax break—much of the private equity managers' piece of their investors' profits is taxed at the 15% capital gains rate rather than at the normal top federal income tax rate of 35%—as being good for society. ("Hey, we're creating wealth—cut us some slack.")

#### The Root of the Problems

WARREN BUFFETT, THE NATION'S MOST successful investor, back in 2003 called these derivatives—which it turned out almost no one understood—"weapons of financial mass destruction." But what did

he know? He was a 70-something alarmist fuddy-duddy who had cried wolf for years. No reason to worry about wolves until you hear them howling at your door, right?

Besides a few prescient financial sages, though, who could have seen this coming in the fall of 2006, when things were booming and the world was awash in cheap money? There was little fear of buying a house with nothing down, because housing prices, we were assured, only go up. And there was no fear of making mortgage loans, because what analysts call "house-price appreciation" would increase the value of the collateral if borrowers couldn't or wouldn't pay. The idea that we'd have house-price depreciation—average house prices in the top 20 markets are down 15%, according to the S&P Case Shiller index—never entered into the equation.

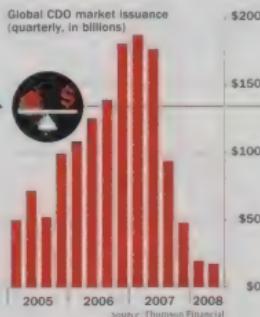
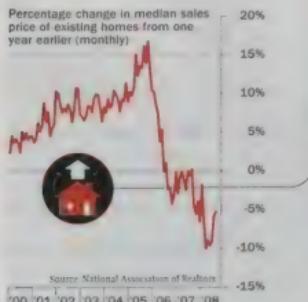
As for businesses, there was money available to buy corporations or real estate or whatever an inspired dealmaker wanted to buy. It was safe too—or so Wall Street claimed—because investors world wide were buying U.S. financial products, thus spreading risk around the globe.

Now, though, we're seeing the down side of this financial internationalization,

## Anatomy of a Meltdown. How the U.S. real estate bubble fed a global demand for CDOs that couldn't fail, until they did

### 1) The Housing Frenzy

Housing values fall in overbuilt markets like Miami and Las Vegas, and supply overwhelms demand. The contagion spreads, and many subprime borrowers find that their homes are worth less than their mortgages. Defaults rise, which sends prices further south. The downward spiral begins.



### 2) Run of CDOs

Investors, particularly foreign investors seeking higher yields, demand more newfangled collateralized debt obligations (CDOs), which are complicated securities based on pools of other mortgages. They are often (absurdly) rated AA and AAA and considered as safe as Treasuries.

### 3) Leverage Loves Company

Rather than merely create and market CDOs, financial firms embrace the innovation and choose to leverage and load up. The money seems too easy to resist. Lehman was leveraged more than 30 to 1. AIG sells credit-default swaps (CDS), derivatives designed to protect investors from failures.



Many of the mortgages and mortgage securities owned or guaranteed by Fannie Mae and Freddie Mac were bought by foreign central banks, which wanted to own dollar-based securities that carried slightly higher interest rates than boring old U.S. Treasury securities. A big reason the Fed and Treasury felt compelled to bail out Fannie and Freddie was the fear that if they didn't, foreigners wouldn't continue funding our trade and federal-budget deficits.

You've heard, of course, that subprime mortgages—*subprime* is Wall Street's euphemism for *junk*—are where the problems started. That's true, but the problems have now spread way beyond them. Those predicting that the housing hiccup wouldn't be a big deal—what's a few hundred billion in crummy mortgage loans compared with a \$13 trillion U.S. economy or a \$54 trillion world economy?—failed to grasp that possibility. It turned out that Wall Street's greed—and by *Wall Street*, we mean the world of money and investments, not a geographic area in downtown Manhattan—was supplemented by ignorance. Folks in the world of finance created, bought, sold and traded securities that were too complex for them to fully

understand. (Try analyzing a CDO-squared sometime. Good luck.)

For an example in our backyard, consider Lehman Brothers. Lehman was so flush, or at least felt so flush, that in May 2007 it sublet 12 prime midtown-Manhattan floors of the Time & Life Building—across the street from Lehman headquarters—from Time Inc., which publishes this magazine. Lehman signed on for \$350 million over 10 years. (It's not clear what kind of hit, if any, Time Inc. will now face.)

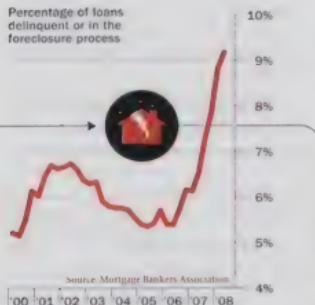
Lehman's fall shows the downside of using borrowed money. Even though Lehman has a 158-year-old name, it's actually a 14-year-old company that was spun off by American Express in 1994. AmEx had gobbled it up 10 years earlier, and it wasn't in prime shape when AmEx spat it out. To compensate for its relatively small size and skinny capital base, Lehman took risks that proved too large. To keep profits growing, Lehman borrowed huge sums relative to its size. Its debts were about 35 times its capital, far higher than its peer group's ratio. And it plunged heavily into real estate ventures that cratered.

Here's how leverage works in reverse. When things go well, as they did until last



**'John McCain has been in Washington for 26 years and hasn't lifted a finger to reform the regulations that could've prevented this crisis.'**

—SENATOR BARACK OBAMA

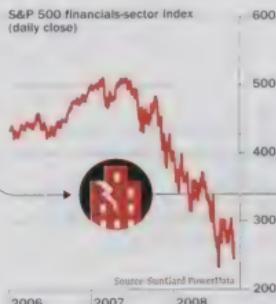


#### 4) The Mortgage Collapse

Consumers who were given big mortgages with little documentation and sometimes no money down begin to default on loans that should never have been made in the first place. Financial institutions like Washington Mutual and Countrywide Financial take the heat. Fiscal comeuppance rears its ugly head.

#### 5) Finance Takes the Next Hit

Rising delinquencies mean that CDOs lose value, forcing banks to sell new stock to raise capital. But surprise: no one's buying CDOs. The banks must take write-downs; the rout begins. Bear Stearns goes down. Lehman Brothers plays an endgame and loses. AIG can't possibly cover the damage.



#### 6) The Bailout

The government orchestrates the shotgun marriage of Bear Stearns and JPMorgan Chase and wants to pronounce the crisis over. Wishful thinking. Fannie and Freddie have to be made federal wards to keep the global financial system whole. Although Hank Paulson makes a high-noon play over Lehman, telling the Street that Uncle Sam is not its rich uncle, he caves in the face of the looming catastrophe that is AIG. Once again, taxpayers become the owners of a huge institution in trouble. The markets, unconvincing that the worst is over, take a dive.



**The Dealmaker John Thain**

Merrill Lynch's Mr. Fix-It cobbled together a buyout of his firm by Bank of America just as financial stocks were about to get hammered

GRADE: A-

**The Strategic Shopper Ken Lewis**

Bank of America's CEO snapped up Merrill Lynch, the Main Street America brokerage firm, for about 30% of its early-2007 peak value

GRADE: B

**The G-Man Hank Paulson**

To avert disaster, the Treasury Secretary offered taxpayer dollars to rescue four ailing companies. The market is still shaky

GRADE: B (INCOMPLETE)

year, Lehman is immensely profitable. If you borrow 35 times your capital and those investments rise only 1%, you've made 35% on your money. If, however, things move against you—as they did with Lehman—a 1% or 2% drop in the value of your assets puts your future in doubt. The firm increasingly relied on investments in derivatives to produce profits, in essence creating a financial arms race with competitors like Goldman Sachs. Even though the Fed had set up a special borrowing program for Lehman and other investment banks after the forced sale of Bear Stearns to JPMorgan Chase in March, the market ultimately lost faith in Lehman. So out it went.

**Uncle Sam Steps Back In**

THE MARKET LOST FAITH IN AIG TOO, BUT the government was forced to save it. A major reason is that AIG is one of the creators of the aforementioned credit-default swaps. What are those, you ask? They're pixie-dust securities that supposedly offer insurance against a company defaulting on its obligations. If you buy \$10 million of GM bonds, for instance, you might hedge your bet by buying a \$10 million CDS from AIG. In return for that premium—which changes day to day—AIG agrees to give you \$10 million should GM have an “event of default” on its obligations.

But as a way to make sure that swap meisters can make good on their obligations, they have to post collateral. If their credit is downgraded—as was the case with AIG—they have to post more collateral. What put AIG on the brink was that it had to post \$1.4 billion overnight, which of course it didn't have lying around. Next

week, the looming downgrades might have forced it to come up with \$250 billion. (No, that's not a typographical mistake; it's a real number.) Hence the action. If AIG croaked, all the players who thought they had their bets hedged would suddenly have “unbalanced books.” That could lead to firms other than AIG failing, which could lead to still more firms failing, which could lead to what economists call “systemic failure.” Or, in plain terms, a financial death spiral in which firms suck one another into the abyss.

AIG, like Lehman, was ultimately done in by credit-rating agencies, of all things. The main credit raters—Moody's and Standard & Poor's—had blithely assigned top-drawer AAA and AA ratings to all sorts of hinky mortgage securities and other financial esoterica without understanding the risks involved. Would you know how to rate a collateralized loan obligation? Or commercial-mortgage-backed securities? Sophisticated investors took Moody's and S&P's word for it, and it turned out that the agencies didn't know what they were doing. Credit raters, who claim to offer only opinions, are party to Wall Street's

**'It's better if Goldman or Morgan Stanley find a buyer, because their business model is fundamentally flawed.'**

—NOURIEL ROUBINI, NYU ECONOMIST, ON INVESTMENT BANKS

cycles too. At the beginning, they're far too lenient with borrowers, who are the ones who pay their rating fees. Then, after a couple of embarrassments—remember Enron and WorldCom?—the raters tighten up, maybe too much. Then memory fades, and the cycle repeats.

What doomed AIG was the rating agencies' decision—they had suddenly awakened to AIG's problems—to sharply downgrade the firm's securities. That gave AIG no time to react, no time to raise more capital, no more time to do anything else but beg for help. Because AIG is in a much scarier situation than Lehman—the insurer has assets of \$1 trillion, more than 70 million customers and intimate back-and-forth dealings with many of the world's biggest and most important financial firms—Uncle Sam felt that it had no choice but to intervene.

Right before the markets began to unravel last year, Lloyd Blankfein, chief executive of Goldman Sachs, presciently quipped that he hadn't “felt this good since 1998,” referring to the Wall Street wipeout precipitated that year by Russia's defaulting on its ruble debt. Blankfein argued that confidence in global markets had built up to a dangerously giddy level and that investors weren't being compensated for assuming outsize risk in securities like esoteric bonds and Chinese stocks. Blankfein was right, of course, but even he wasn't paranoid enough. Though Goldman stands, along with Morgan Stanley, as one of the last two giant U.S. investment banks not to collapse (as Lehman and Bear Stearns have) or be sold (à la Merrill Lynch), Goldman too has been pummeled. The firm's quarterly profit plunged 70%—results considered to



**Mr. Laissez-Faire Alan Greenspan**  
The former Fed boss regulated modestly and let mortgage lenders run wild. Critics say this has hurt the economy. And his reputation

GRADE: C



**The Gambler Bill Miller**  
On July 11, the Legg Mason value maven upped his firm's stake in Freddie Mac to 12%, becoming its top shareholder. Bad bet

GRADE: D



**The Biggest Loser Dick Fuld**  
He ran Lehman Brothers since 1993 with passion. Perhaps too much. Lehman filed for bankruptcy after he rebuffed buyout offers

GRADE: F

be relatively good. While analysts generally believe that Goldman and Morgan Stanley will survive the meltdown, that view is not unanimous. Says doomster New York University economics professor Nouriel Roubini: "They will be gone in a matter of months as well. It's better if Goldman or Morgan Stanley find a buyer, because their business model is fundamentally flawed." Both firms would beg to disagree, but their stock prices have been hammered.

All of us are now paying the price for Wall Street's excesses. Some of the cost is being paid by prudent people, like retirees who have saved all their life. They're now getting ridiculously low rates of 2% or so on their savings because the Federal Reserve has cut short-term rates in an attempt to goose the economy and reassure financial markets. Taxpayers are going to get stuck too. By the estimate of William Poole, former head of the St. Louis Fed, bailing out the creditors of the two big mortgage firms, Fannie Mae and Freddie Mac, could cost taxpayers \$300 billion. Think of that as about a year and a half in Iraq.

Didn't the folks on Wall Street, who are nothing if not smart, know that someday the music would end? Sure. But they couldn't help behaving the way they did because of Wall Street's classic business model, which works like a dream for Wall Street employees (during good times) but can be a nightmare for the customers. Here's how it goes: You bet big with someone else's money. If you win, you get a huge bonus, based on the profits. If you lose, you lose someone else's money rather than your own, and you move on to the next job. If you're especially smart—like Lehman chief executive Dick Fuld—you take a lot

of money off the table. During his tenure as CEO, Fuld made \$490 million (before taxes) cashing in stock options and stock he received as compensation. A lot of employees, whose wealth was tied to the company's stock, were financially eviscerated when Lehman bombed. But Fuld is unlikely to show up applying for food stamps.

Fuld is done with the grueling job of trying to stave off financial crisis. Not so for regulators, of course. It's difficult to imagine the pressure and stress. Key players such as Treasury Secretary Hank Paulson and New York Fed chief Tim Geithner have been working around the clock for weeks now, putting out fire after fire. Besides having to comprehend and solve the mind-bending financial woes of some of the world's biggest companies, they are also briefing and seeking counsel from CEOs of the surviving companies, never mind President George W. Bush and the two presidential candidates, plus central bankers from around the globe.

### Where Do We Go from Here?

THERE'S NO QUESTION THAT THE CRISIS has gone so deep that it cannot be halted by one stroke. Banks and other financial companies around the globe are struggling to pull themselves out of this mess. Rebuilding will take time, vast amounts of money and constant attention. Sooner or later, the hundreds of billions (or trillions) of dollars that the Fed and other central bankers are throwing into the markets will stabilize things. Sooner or later, housing prices will stop falling because no financial trend continues forever.

Given that this is a political year and change is the buzzword, how do Barack

Obama and John McCain intend to see us out of this mess? Good question. We don't know, and it's not at all clear that they've thought about it in greater than sound-bite depth.

Obama has called for increased regulation, which seems like a no-brainer, but he hasn't articulated many specifics. Meanwhile, McCain has talked about ending "wild speculation" and railed against Wall Street greed. Well, duh. Know anyone who is in favor of naked greed? Whoever wins will face a massive job of righting the financial ship and restoring confidence that has been badly shaken. The next President will have to cast away partisan predispositions and add the just-right measure of regulation and oversight to the mix. As Treasury Secretary (and former Goldman Sachs chief executive) Paulson recently said, "Raw capitalism is dead."

Whatever the politicians do, we as a society are going to be poorer than we were. We've lost credibility with foreigners; they will be less likely than before to lend us endless amounts of cheap money. Will that ultimately lead to higher borrowing costs? It's hard to see how it won't.

Coping in this new world will require adjustments by millions of Americans. We all will have to start living within our means—or preferably below them. If you don't overborrow or overspend, you're far less vulnerable to whatever problems the financial system may have. And remember one other thing: the four most dangerous words in the world for your financial health are "This time, it's different." It's never different. It's always the same, but with bigger numbers.

# O.K., Don't Panic. How to find your way through the market mayhem

BY BARBARA KIVIAT

You probably have questions. And not "What does CDO mean again?" sorts of questions but more along the lines of "Is it time to hide under the covers?" Here we tackle some popular queries—while emphasizing that just because we discuss the possibility of bad things happening doesn't mean they will.

## INVESTMENT

## What happens if I have a brokerage account at a firm that goes bankrupt?

Those are your assets, not the company's, and its creditors have no right to your money. One hopes the transfer to a new brokerage should go smoothly: federal regulators show up to oversee the process. In the worst-case (and highly unlikely) scenario that some of your assets are missing, SIPC insurance kicks in, covering \$500,000 worth of securities, including \$100,000 in cash.

**ACTION:** Call your broker to talk about the transfer

## SAVINGS

## Is it time to pull my money out of the bank and put it under the mattress?

No. But it may be time to make sure you don't have more than \$100,000 in any one bank. The FDIC insures that amount should your bank fail—plus \$250,000 for retirement accounts that hold bank products like CDs. On Sept. 16, however, there was an event in the normally unexcitable world of money market funds. Because of a loss on Lehman debt, a money fund marked its share value below \$1—sacrifice for an investment meant to be akin to cash. A mass redemption followed. If more money funds "break the buck," you may be tempted to move to FDIC-insured accounts. Just keep in mind that they might yield less, and only one money market has ever been liquidated—in 1994.

**ACTION:** Sit tight

## INSURANCE

## What happens if I have an insurance policy with a company that goes belly up?

Are you asking because the Federal Government took over AIG? We thought so. First things first: AIG's insurance subsidiaries are solvent and continuing to pay claims. If—and this is a big if—individual insurance subsidiaries run into trouble, a state regulator will step in. That regulator might try to move policies to another carrier. "The insurance industry has a pretty good track record of taking care of itself," says Atlanta-based wealth manager Chris Dardaman—though new insurers may be allowed to adjust policy terms. If push really comes to shove and the subsidiary liquidates, you are still protected in different ways, depending on what sort of policy you have:

## FIXED-RATE ANNUITY

## VARIABLE-RATE ANNUITY

Money invested in a variable-rate annuity goes into mutual-fund-like sub-accounts, which are walled off from the general account the insurer uses for its other obligations. It's like having a set of mutual funds at a broker. SEC regulations apply, and AIG's creditors can't tap those assets.

**ACTION:** No need to transfer your money, but why not make this an opportunity to remind yourself of your policy's terms?

## LIFE INSURANCE

## HEALTH INSURANCE

Claims on these policies get paid from the firm's general account—the place your premiums go. As long as the company is solvent, things work normally. But let's assume a worst-case scenario: a state regulator steps in, can't get the firm back on track and decides to liquidate. As a policyholder, you're in line ahead of creditors. If the insurer is in real trouble and can no longer pay claims, then the state's guarantee fund kicks in. It varies from state to state, but generally you have at least \$300,000 worth of total coverage.

**ACTION:** Keep an open line to your insurance agent

## PROPERTY AND CASUALTY INSURANCE

For policies like homeowners' and auto insurance, there's a separate state guarantee fund that will be tapped in a worst-case scenario, like what's outlined at left. Again, limits vary by state, but in many cases you'll be covered up to \$300,000. For property and casualty insurance, you'll typically be covered by the state fund for 30 days after a firm is liquidated, to give you enough time to get a new provider.

**ACTION:** Keep paying your premiums

## MORTGAGE

## What happens if my mortgage lender runs into trouble?

If the company that holds your mortgage fails, your loan, along with all others, will be assets in a bankruptcy proceeding. Chances are, some bank will come along and buy the loans, and then you'll have to mail your mortgage payment to a new address. That's it. The callable mortgage—in which a lender can demand its money back—pretty much ended with the Great Depression.

**ACTION:** Keep paying your mortgage. Please

## STOCKS AND BONDS

## How should I be investing now?

On Sept. 15, the Dow fell 504 points. Pretty drastic. The next day it gained 142 points. The lesson: these are volatile days and weeks, and timing the market is a crapshoot, even for the pros. The ability of ordinary investors to move in and out of investments at the right moment tends to be pretty bad anyway. A longitudinal study by the research firm Dalbar shows that as mutual fund investors increase the length of time they hold their funds, they do better relative to stock and bond indexes. "Our emotions are backward-looking, but the market is always about what's going to happen," says David Yeske, a financial planner in San Francisco. So no running for the exits. That said, it may be a good time to see if you're properly diversified—in a blend of stocks, bonds, foreign and domestic securities, big and small companies. One thing that's clear: If there's another hit, there will be little telling where it's going to come from.

**ACTION:** As ever, focus on the long term and stay invested in a diversified portfolio

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INSTRUMENTS FOR PROFESSIONALS™

# Where's the Fire?

Barack Obama has Democrats worried. But the candidate is calm. Here's why

BY MICHAEL GRUNWALD



**On the bus** Obama with aides David Axelrod and Valerie Jarrett and wife Michelle before a stop in Boardman, Ohio

**T**HE DEMOCRATIC PARTY IS HAVING one of its periodic freak-outs. John McCain has pulled ahead in a few polls, and the party's many doom-and-gloomers are fretting that Barack Obama is frittering away a can't-lose election, lagging behind generic Democrats in a generic Democratic year. They worry that he's too professorial, too nuanced, too dispassionate, too above-the-fray cool. They want him to run straight at McCain's distortions, throw some fastballs, show voters he's a scrapper. They fear that his message of change has grown stale, that his efforts to paint McCain as another George W. Bush aren't working, that Sarah Palin flat-out stole his mojo. They're even second-guessing his tactical decisions. Why did he send staff to the state of Georgia? Why

isn't he using the Wall Street meltdown to bash McCain's support for privatizing Social Security? And why did he go to Beverly Hills for a swanky fund raiser with Barbra Streisand?

To which Obama has responded: Relax. "This campaign needs to keep its focus," Obama told jittery supporters in a conference call last week. The race, he said, is still "ours to lose." Call it confidence or arrogance, discipline or stubbornness, but Obama is not a freak out kind of guy. He still believes this is a change election and that he's the change candidate; when it comes to strategy, he basically intends to stay the course and encourage his supporters to chill out. "People wonder sometimes, 'He seems pretty calm,'" Obama told a star-studded audience at the Strei-

sand fund raiser. "The reason I am calm is, I have confidence in the American people." Yes, McCain recently adopted the mantra of "change" as well, easing away from "experience" after putting Sarah Palin on the ticket, but Obama sees that as proof that the election will be fought on his turf. His campaign will make adjustments—including a sharper focus on women voters, as well as harsher attacks by running mate Joe Biden and through television advertisements—but Obama's overriding message will still be a version of lipstick-on-a-pig: the 72-year-old Republican who supports Bush's foreign policies and economic policies is not the guy who's really bringing change. "No one is going to move him off his message in a manic moment," says Obama supporter Claire McCaskill,

a Democratic Senator from Missouri.

Obama's case against panic goes like this: Bush is the least popular President in modern history, and McCain was on TV bragging during the Republican primary that he voted with Bush over 90% of the time. The economy is tanking, and McCain is still insisting that the fundamentals remain strong; he's also been a consistent vote against financial regulation, a strong supporter of investing Social Security benefits in the stock market and a recent convert to the Bush tax cuts. Voters prefer Obama's positions to McCain's on almost every major policy issue, and the Republican brand still seems toxic. The Obama team believes, as campaign manager David Plouffe says, that "at the end of the day, this is going to come down to the choice: Do I want the McCain agenda or the Obama agenda?" Plouffe might have added that party Chicken Littles predicted Obama's demise a year ago, when they said Hillary Clinton would bury him unless he got nasty. Before Iowa, they doubted his ability to attract white votes; before his Iraq trip, they warned that a gaffe could doom his candidacy; before his convention, they said lingering resentments from the primary could overshadow his coronation. On Sept. 8, the *New York Times* reported on Democratic fears that Obama was struggling to raise money, shortly before he announced a record-breaking \$66 million haul for August.

To which the fretters reply: Then why isn't he winning? If the fundamentals are so strong for Obama, why has McCain wiped out his lead?

The case against calm in Demworld begins with the idea that Obama isn't guaranteed the White House just because the fundamentals tilt his way. Whatever the mood, Democratic veterans warn, campaigns matter. And McCain's campaign has been much more aggressive about trying to define the debate and seize news cycles; when MSNBC's Joe Scarborough was asked during the initial lipstick-on-a-pig spat what the media would talk about in two days, he replied, "Whatever the McCain campaign wants us to talk about, because the McCain campaign is assertive." The media have dutifully fact-checked the McCain campaign's mischaracterizations of Obama's tax plans and its howler that Obama wants to teach kindergartners about sex. But the Obama camp has often seemed flat-footed in the face of nonbeanbag politics, as if it didn't think it had to dignify Republican smears with a response. "Obama wants the campaign to be about issues, because he wins on issues," says a Democratic consultant who believes Obama will ultimately prevail.

"But he doesn't always get to decide what the campaign is about."

Ever since Palin took the stage, Obama's aides have seemed especially clueless about how to react to her and almost blind to her cultural power as a middle-class mom with five kids and an NRA card. They seemingly can't decide whether to attack her as a book-banning Bush-of-the-North extremist who brought partisanship and cronyism to small town government, dismiss her as a provincial novice in her head, brand her as a double-talker who opposes pork only when it isn't hers, or simply ignore her. According to a *TIME* poll, McCain has almost erased Obama's pre-convention lead among women voters (see following story), and Beltway chatters are rehashing their questions from the primary about Obama's ability to connect with working-class voters. Palin is now getting

19 months, he's been attacked as a naive novice, an empty suit, a tax-and-spend liberal, an arugula-grazing elitist and a corrupt ward heeler, but the attacks that nearly derailed him involved the Rev. Jeremiah Wright, attacks designed to portray Obama as an angry black man. White America has embraced unthreatening African Americans like Tiger Woods, Oprah Winfrey, Will Smith and Colin Powell, but this is still a majority-white country, and Obama does not want to be stereotyped as a race man like Malcolm X. In a media climate in which "working class" and "small town" and "ordinary" voters still mean white voters, angry white candidates can be "populists," but angry black candidates get tagged as "militants." Obama has no interest in trying to find out whether America is ready for an angry black man. He's more likely to try to send negative messages with humor, as he does in a new ad that mocks McCain's unfamiliarity with e-mail while featuring a Rubik's Cube, a prehistoric cell phone and other relics of 1982, the year of McCain's arrival in Congress. Campaign treasurer Martin Nesbitt says Obama is keenly aware of the pressure to "strike back and be meaner; fight fire with fire," but the candidate is not swayed by it. "He lets all the noise go on," Nesbitt says.

Obama's aides are sensitive about his brand; they don't want to undercut his claim to represent a new kind of politics. That's why they don't use the word *Republican* in ads; they think voters are tired of partisan attacks. And that's why they initially asked Democratic groups not to air any independent ads on Obama's behalf; they wanted to control the brand themselves. But the Service Employees International Union recently aired an anti-McCain ad, and other groups are poised to follow suit. Earlier polls had produced "reckless overconfidence on the part of our donors," one Democratic operative said, but that overconfidence is gone.

As the candidates prepare for their first debate Sept. 26, the Obama camp remains confident it can win an argument about who can deliver change. As Plouffe puts it: "No matter how many times McCain and Palin use the word *change* or try to reinvent their own records, one thing stays the same: when it comes to the economy, education, Iraq or the special-interest stranglehold on Washington, they are both stubborn defenders of the past eight years, and they both promise more of the same."

It's a powerful argument in a Democratic year. It's the argument Obama has been making for months. But it's not yet a winning argument. —WITH REPORTING BY JAY NEWTON-SMALL AND KAREN TUMULTY/WASHINGTON

## Angry white candidates can be 'populists,' but angry black candidates get tagged as 'militants'

some bad press—for trying to quash an investigation in Alaska, for incorrectly claiming she had visited Iraq and opposed the "bridge to nowhere," for appearing hazy about the Bush Doctrine—but Obama is no longer talking about her.

The deeper concern among the hand-wringers is that Obama isn't really tough enough for the job, even if he did emerge from the rough-and-tumble of Chicago politics, even if he did outfox the Clinton machine, even if he is the first black man to win a party nomination. They worry that he's trying to run out the clock, as if the disasters caused by eight years of supply-side economics and neoconservative geopolitics were so obvious that he could simply coast to victory on a massive get-out-the-vote operation and the collective wisdom of the American people. But many Americans don't know much about John McCain beyond his heroism in Vietnam, so Democrats want Obama to cast him as a shill for Big Oil, a lobbyist's dream, a dangerous warmonger, a liar without honor. They want to see the word *Republican* in Obama's ads. They want to see fire in his belly.

But Obama doesn't do spontaneous combustion. And he's keenly aware of the deeper danger of fire for America's first black presidential nominee. Over the past

# Maxed-Out Moms

A new TIME poll shows John McCain and Sarah Palin are winning over the swing voters that both sides need in November. But will it last?

BY KAREN TUMULTY

**M**EET THE WOMAN OF THE year: White, high school-educated and probably on the north side of age 50, she is getting the worst of a bad economy. She's worrying about whether her daughter will be able to afford college and her father his medicine. Her husband can barely afford the gasoline it takes to get back and forth from a job he's in danger of losing—and with it, their health insurance. She's getting her hair cut less often and sometimes has to put her utility bill on her Visa. She's the woman doing the laundry at 11 p.m., because it's the first chance she's had all day to do it. So it's no surprise that she hasn't yet gotten around to settling on Barack Obama or John McCain—though how she votes may well determine the outcome of the election.

She is, in short, a woman who might have a few things in common with Lori Stern, an administrative assistant in Des Moines, Iowa, who lost her second job at a coffee shop when it closed. Stern went to her state's Republican caucuses last January, listened and left without voting. She still hasn't made up her mind, though she's now leaning toward Obama. "I'm very aware of what's going on, and have paid attention, but I find it really hard to be truthful of politicians in general," she says. That sentiment is echoed by Beth Seidel, a factory worker in Cleveland who works the third shift so she can take her son to school and then to practices for the four sports he plays. Pausing recently at a Wal-Mart, she said: "Honestly, I don't know what to do. I really don't want to vote for McCain. You can tell he only cares about rich people. Sarah Palin wears glasses

that cost \$300. McCain's wife wears Gucci clothes. Which means they don't know anything about people like me." Into that stew of assumptions, she adds: "I hear that Obama's a Muslim. If he is a Muslim, that would be a problem, because the terrorists already attacked us." (He's not.)

Their profiles change from campaign to campaign, but women like Stern and Seidel have been deciding U.S. elections for years. In 1996, they were the "soccer moms" Bill Clinton captured to win reelection. After 9/11, they morphed into the security moms who helped give George W. Bush a second term. Four years later, they are a little older, and their anxieties have multiplied. Their numbers are enormous: They typically account for as much as 12% of the electorate. The two campaigns are referring to them as Wal-Mart moms, but a better name might be maxed-out moms.

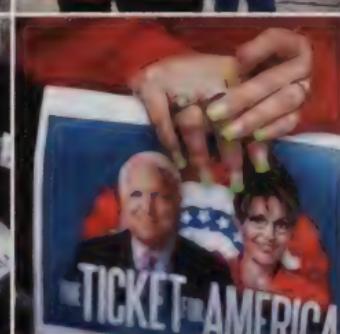
More pragmatic than partisan, "non-college-educated white women are the ultimate swing voters and the ultimate late deciders," says Mary Beth Cahill, who was John Kerry's 2004 campaign manager.

**Before he tapped Sarah Palin, McCain trailed Obama by 10 percentage points among female voters. But now he trails by only 1 percentage point**

"They swing back and forth with every new piece of information." In the Democratic primaries, they came out in force for Hillary Clinton. Many say they wish Obama had put her on the ticket, but on the issues they still tilt toward the Democrats. Given their worries about the direction of the country, their low regard for the current occupant of the White House and the fact that women voters normally trend more Democratic than men do, Obama has some reason to believe he should carry the maxed-out mom vote in the general election.

At the moment, however, McCain seems to be winning them handily—which is a big reason for the growing nervousness among the Democratic rank and file. A new TIME poll, conducted Sept. 11-15, shows Obama and McCain running a dead heat among women overall. But McCain holds an 18-point lead among older, less-educated likely women voters. "Frankly, it's because they are conflicted on Obama," says pollster Geoff Garin, who served as the chief strategist for Clinton's campaign in its final days. "They'd like to vote for a Democrat, but they are not sure Obama is the one."

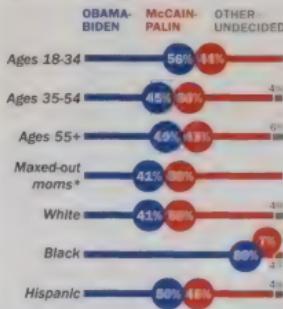
Part of it is that many maxed-out moms are older than Obama, which makes them more skeptical that he has the experience he needs to do the job. Many are more culturally conservative than he is, and they are more likely than their younger sisters to be what Democratic pollster Celinda Lake delicately describes as "racially sensitive." What's more, says Garin, Obama's mantra of change is not so appealing to a group that is already trying to come to grips with all the changes upending their lives. "He's a little too vague for me," says Cathy



## Tracking the Female Vote

■ Although female voters overall are evenly split between Obama (48%) and McCain (47%), Obama struggles to attract key segments of the female electorate

Women who say they would vote for...



\*White, ages 45-54, with no college education

■ McCain's choice of Palin as his running mate was a bigger hit with women than was Obama's choice of Biden

**17%**

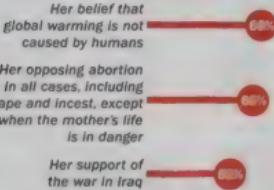
Women who say Biden has made them more likely to vote for Obama

**32%**

Women who say Palin has made them more likely to vote for McCain

■ While most women (55%) have a favorable opinion of Palin, there are signs that support for her may fade

Women who disagree with Palin's positions on the following...



■ Women are generally more inclined to support a Democrat than a Republican for President this year

Women who say, regardless of who the candidates are, they will favor this party's nominee...

**49%**

Democrat

**46%**

Republican

This TIME poll was conducted Sept. 11-15 among a national random sample of 1,000 adult women likely voters. The margin of error is ±3 percentage points.



A mile in her shoes? Women identify with Palin's complex life, if not necessarily with her views

Hayworth, a Bondurant, Iowa, mother of four who cleans houses for a living. "What exactly are those changes?" Deb Anderson, a barber from Urbandale, Iowa, says. "I know we need change, and maybe he can really do it and make a difference like Martin Luther King. But I'm just torn ... He almost seems too good to be true."

Meanwhile, McCain's surprising pick of a hockey-mom governor to share his ticket has grabbed maxed-out moms' attention. "They see their lives reflected in hers," says a top McCain strategist. "She is a person who leads a life they lead." In the TIME poll, 68% of older, non-college-educated women expressed a favorable opinion of her. "I do like Palin. I think she's going to win the election for McCain," says Kim Kalin, 49, a supervisor at a small manufacturing plant, who lives in Sterling Heights, Mich. But for other women, Palin has only added to the confusion. "I was for Obama, but that Sarah Palin gives a good speech," says Vivian Healey, 75, who works four days a week at her son's restaurant in Warren, Mich. "But I don't think she always gives a straight answer. But then, none of them do. I don't know how I'm going to decide."

Things may get clearer as moderate women voters get to know Palin better. "When they see a woman on the ticket, the initial reaction is, 'Good for her,'" says Ellen Malcolm, the head of EMILY's List, which works to elect pro-choice Democratic women. "But as they start focusing on the issues, they will see Sarah Palin is out of step." Nearly 7 in 10 of the women TIME polled disagreed with Palin's suggestion that humans are not responsible for global warming; two-thirds took exception to her opposition to abortion in all circumstances except when the life of the mother is in danger; and a majority

did not share her support of the Iraq war. What's more, they overwhelmingly—54% vs. 37%—say Joe Biden is better prepared than Palin to take over as President. "At the end of the day, this is going to be about Obama and McCain and change," says one top Obama aide. "The novelty of Sarah Palin will wear off."

But Obama can't afford to wait. Since the Palin pick, the Obama campaign has stepped up its game with all female voters. During the Republican convention, Obama's team was running radio ads and sending out direct mail on the abortion issue in swing states. It is dispatching more of its most prominent women supporters—including Clinton—to campaign for Obama and argue his case on the airwaves. In Pennsylvania, the Obama field operation put together a "Take Your Daughter to Canvas" day; in Florida, it was organizing one of Obama's trademark megarallies specifically for women, offering tickets to sororities, breast cancer organizations, Planned Parenthood, teachers organizations and nurses groups. Meanwhile, both campaigns are spending heavily on reaching these women over the airwaves. According to the New York Times, Oprah is getting more political advertising than any other non-news show, with McCain buying more spots in the last month than Obama—despite the fact that it was Obama who got the endorsement of the show's star. Both candidates know there are women out there just like Deb Anderson in Urbandale, Iowa. "I'm going to keep watching and just see what happens," she says. "Things change so much." —WITH REPORTING BY CHRISTOPHER MAAG/CLEVELAND, BETSY RUBINER/DES MOINES, IOWA, CAITLIN SULLIVAN/TROUTDALE, VA., JOSEPH R. SZCZESNY/WARREN, MICH.

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Business Roundtable



# Facts, Fables & Fibs

Both candidates say they want to run a clean campaign. In reality, they are tossing mud in every direction

BY MICHAEL SCHERER  
AND JAMES CARNEY

**S**ENATORS JOHN MCCAIN AND BARACK Obama have built their political careers—and then laid claim to the White House—on the idea that each disdains and would not practice the gutter partisan politics of the past. Yet what was once expected to be a more high-minded campaign has quickly eroded into something disappointing and familiar. Both candidates have trampled the truth, overlooked the details, trashed their rival's records and then hijacked each other's words miles away from the proper context. And each has made a minor specialty of attacks that have more to do with character than with any new direction the nation needs to go. Obama's ads systematically portray McCain as old, forgetful and out of touch; McCain's present Obama as a lightweight "celebrity" who will stop at nothing to win.

Who's the best at the worst in politics? Like squabbling children, each campaign seeks to justify its behavior by pointing fingers and insisting that the other team lied first. But in the main, McCain has been far quicker to throw the truth overboard both in advertisements and on the stump. There are so many charges and counter charges about who distorted things first that we decided to spread the highest profile allegations, good and bad, across a grid measuring both accuracy and substance so you can be the judge. —WITH REPORTING BY JAY NEWTON-SMALL

**McCain says**  
Obama requested nearly \$1 billion in pork-barrel projects as a member of the Senate.

**Reality:** That is an accurate tally, as kept by Taxpayers for Common Sense, though other Senators requested even more.



**McCain says** Obama "thinks that we can achieve energy independence" without more nuclear power.

**Reality:** Obama favors a cautious expansion of nuclear power as part of a larger effort to shift to renewable sources of energy.



## Obama "Backyard" ad

**Claim:** McCain wants to store nuclear waste in Nevada but would not allow it to be shipped through his home state of Arizona.

**Reality:** Unlike Obama, McCain does support the Yucca Mountain storage facility in Nevada. In one 2007 interview, he suggested he would not want waste traveling through Arizona.



**Obama says** McCain is "no maverick" because he voted to support President Bush's policies 90% of the time.

**Reality:** The statistic is true, though voting records are a poor measure of cross-partisan effort, since most minor votes fall along party lines. Obama voted with fellow Democrats 97% of the time.



## Mostly True

### McCain "The One" and "Celeb" ads

**Claim:** Obama is the world's greatest celebrity, on par with Paris Hilton, with the sea-parting power of the biblical Moses.

**Reality:** Using humor, the ads mock Obama's charisma without backing up the claim that he is not "ready to lead."



### Obama "Seven" ad

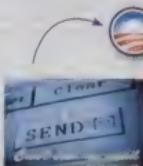
**Claim:** McCain says the "fundamentals of our economy are strong" and he "lost track" of how many houses he owns.

**Reality:** Though McCain expresses confidence about the nation's economic strength, he regularly adds that he is determined to do more to help those who are struggling. He owns the houses with his wife, who manages a large personal fortune.



**McCain says** Obama is "more to the left than the announced socialist" Senator Bernie Sanders

**Reality:** The claim is based on an imprecise rating of Senate votes that credited Sanders for being more conservative for, among other things, voting against an immigration bill that both McCain and Obama supported.



### Obama "Still" ad

**Claim:** First elected in 1982, McCain is "out of touch," and doesn't know how to use a computer or e-mail.

**Reality:** By focusing on McCain's use of technology, the ad takes a clear swipe at McCain's age by painting him as culturally out of step.

## Serious

### McCain "Original Mavericks" ad

**Claim:** Sarah Palin "stopped the bridge to nowhere."

**Reality:** She supported nearly \$200 million in federal pork this year and backed the infamous bridge until after Congress had objected to the project.



Obama says McCain favors "ideological policies" that would resist regulation of financial markets in the face of the current economic crisis.

**Reality:** While less enthusiastic of regulation than Obama, McCain has proposed new regulatory steps to deal with the mortgage meltdown.



### Obama "Honor" ad

**Claim:** McCain is running a "disgraceful" campaign of "smears," and "deception is all he has left."

**Reality:** Without providing any factual basis, the ad uses quotes out of context from columnists who are critical of McCain's campaign strategy.

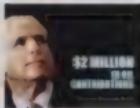


## Silly

### Obama "Pocket" ad

**Claim:** Instead of taxing oil companies' "windfall profits," McCain wants to give Big Oil \$4 billion in tax breaks.

**Reality:** McCain wants to eliminate some business tax loopholes and provide a tax cut for all corporations.



### McCain "Disrespectful" ad

**Claim:** Obama and Joe Biden have been "disrespectful" of Palin since her nomination, calling her a "liar" who is "good looking" and who "was doing what she was told."

**Reality:** The quotes are taken out of context. They suggest a sexist assault by Obama and Biden for which there is no clear evidence.



**Obama says he will "pay for every dime" of his spending proposals "by closing corporate loopholes and tax havens."**

**Reality:** Independent analysts say Obama's plans call for a net reduction in taxes and rise in spending, increasing the budget deficit.



**McCain says "Senator Obama will raise your taxes. I won't."**

**Reality:** Obama has proposed a decrease in federal taxes for most Americans making less than \$250,000 a year.

### Obama "It's Over" ad

**Claim:** Two key McCain campaign advisers currently lobby for special interests.

**Reality:** Both advisers, Charles Black and Rick Davis, are former lobbyists, not current ones.

## Mostly False

### Obama "Embrace" ad

**Claim:** McCain is "Washington's biggest celebrity" who would help corporations but give "almost nothing for families like yours."

**Reality:** McCain would lower taxes for the wealthy and provide larger tax credits to most parents and many seeking health insurance.



**McCain "Kindergarten" ad**

**Claim:** Obama wants to teach kindergarten students about sex before they learn to read.

**Reality:** Obama supports "age appropriate" sex education for all grades but not teaching sex to 5-year-olds.



### McCain "Tiny" ad

**Claim:** Obama says Iran is a "tiny" country that "doesn't pose a serious threat."

**Reality:** Obama describes the threat from Iran as serious, though he has said it's a "tiny" country in comparison with the former Soviet Union.

### McCain "Lipstick" ad

**Claim:** Obama called Palin a "pig." The spot also quotes CBS anchor Katie Couric describing sexism in the campaign.

**Reality:** Obama used the common cliché "lipstick on a pig" to describe McCain's policies, not Palin; CBS demanded that YouTube remove the ad.



# Death in Birth

The number of women in poor countries who die in childbirth has barely changed in two decades—and this despite a host of medical breakthroughs. How can the incidence of this devastating human tragedy be reduced?

BY VIVIENNE WALT/FREETOWN

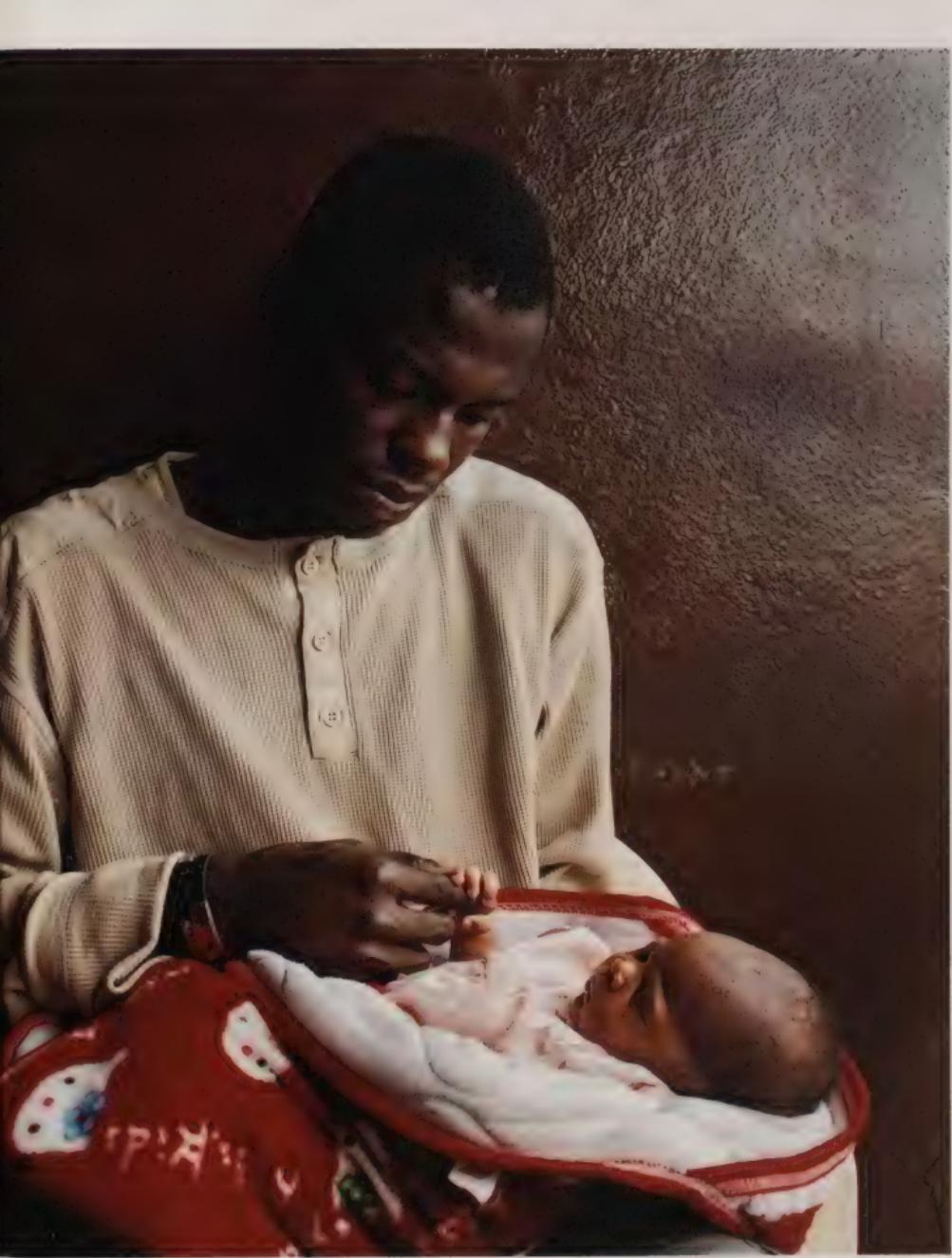
**I**N A HOSPITAL WARD IN FREETOWN, THE capital of Sierra Leone, Fatmata Conteh, 26, lay on a bed, having just given birth to her second child. She had started bleeding from a tear in her cervix, the blood forming a pool on the floor below. Two doctors ran in and stitched her up, relatives found blood supplies, and nurses struggled to connect a generator to the oxygen tank. One nurse jammed an intravenous needle into Conteh's arm, while another hooked a bag of blood to a rusted stand, and a third slapped an oxygen mask over her face. In the corner of the room, a tiny baby—3 hours old—lay on a bed, wailing, swaddled in

bright-colored African fabric. "Listen! You must feel happy to hear your baby cry," said a nurse, pleading with Conteh to find strength. Three visiting members of a neighborhood church began chanting over Conteh: "Jesus, put blood into this woman! Thank you, Lord!" But as their chants grew louder, the nurses stepped back from the bed. Conteh was dead.

Some version of that scene is repeated around the world about once a minute. Death in childbirth is not just something you find in a Victorian novel. Every year, about 536,000 women die giving birth. In some poor nations, dying in childbirth is so common that almost everyone has

**Broken family**  
Osman Kamara holds his daughter at home in Sierra Leone, far right. Her mother, Fatmata Conteh, right, began bleeding soon after giving birth, putting Fatmata's life at risk





Photographs for TIME by Anna Kari



known a victim. Take Sierra Leone, a West African nation with just 6.3 million people: women there have a 1 in 8 chance of dying in childbirth during their lifetime. The same miserable odds apply in Afghanistan. In the U.S., by contrast, the lifetime chance that a woman will die in childbirth is about 1 in 4,800; in Britain, 1 in 8,200; and in Sweden, 1 in 17,400. Deaths are heavily weighted to the poorest and most isolated in each country, which means that many politicians remain largely ignorant of the scale of the tragedy. "Often the people in the cities do not know what is happening in their own rural areas," says Sarah Brown, wife of British Prime Minister Gordon Brown and patron of the White Ribbon Alliance, a global advocacy organization that works with governments to lower maternal mortality rates. Brown—who lost a baby 10 days after giving birth in 2001—says that when she tells heads of state and their spouses how many women die in childbirth, "they are aghast."

### The Gains Not Made

THEY HAVE REASON TO BE. FOR HERE IS the truly ghastly reality of maternal mortality: in 20 years—two decades that have seen spectacular medical breakthroughs—the ratio of maternal deaths to babies born has barely budged in poor countries. To be sure, maternal health has seen advances, with new drugs to

treat deadly postpartum bleeding and pregnancy-related anemia. But in many places, such gains are dwarfed by a multitude of problems: scattershot care, low pay for health workers and a scarcity of midwives and doctors. In Mozambique, where women have a 1 in 45 lifetime chance of dying in childbirth, there are just 3 doctors per 100,000 people; in all of Sierra Leone, there are 64 government doctors, only five of whom are gynecologists. Millions of families have never seen a doctor or nurse and give birth at home with traditional birthing helpers, while those who make it to a clinic—some being carried on bicycles or in hammocks—often find patchy electricity, dirty water and few drugs or nurses. Explaining the task of reducing maternal deaths, Sierra Leone's Minister of Health, Sacch Alex Kabia, who returned home last year after decades of working as a surgeon in Atlanta, says, "The whole health sector is in a shambles."

Many hope that maternal death rates in poor nations will naturally fall over time, as they did in much of the world in the 20th century. They well might. But international officials say governments often lack the political will—as well as the money—to tackle the issue, perhaps because there are too few women politicians to push it. Monir Islam, director of the maternal health program of the World Health Organization in Geneva, calls governments' low level of in-

vestment in reducing deaths in childbirth a "sinful neglect."

In an attempt to jolt officials into action, governments at the U.N. General Assembly in 2000 chose to make a drastic reduction in maternal mortality one of the eight Millennium Development Goals (MDGs)—a series of targets in a program that channels aid to key issues, including education and clean water—to be met by 2015. The MDGs hold people "to a golden standard for progress," says Jamie Drummond, executive director of the antipoverty organization DATA. When world leaders gather in New York City this month to take stock of the MDGs, their speeches are likely to tout the many achievements since 2000: millions more African children now attend school and sleep under mosquito nets; thousands of new water wells have been dug. Yet though maternal health care underpins many other development goals (healthy mothers are more likely to ensure that their children are well fed and educated), the total number of women dying in childbirth has remained virtually unchanged in eight years.

Why? Health officials are clear in their answers. Aside from lack of money and political will, they also face entrenched traditions and fatalistic attitudes to maternal mortality, especially in very poor communities. "People think that dying in childbirth is not preventable," says Nadira



Hayat, Afghanistan's Deputy Minister of Health. "They say it is up to God."

So it seemed before dawn one Sunday in August in Kora Olia, a remote village in Afghanistan's northeastern province of Badakhshan, where maternal mortality is about four times the country's already high rate. Nine months pregnant, Harakatmo, 19, began bleeding heavily. Her husband and mother-in-law were concerned, but the local doctor was far away, and expensive, so they waited. When Harakatmo was still bleeding the next morning, they sent a horseman to fetch a village health worker, but Harakatmo's bleeding continued. Panicked, her husband strapped her to a makeshift stretcher and carried her down the steep track from their home until he found a police truck to take them to a clinic several miles away. The doctor there urged the family to rush Harakatmo to Badakhshan's only hospital, in Faizabad, the provincial capital. Harakatmo's husband hired a ramshackle minivan for the journey—a five-hour ride along rutted dirt roads. On the way, they stopped while Harakatmo's mother-in-law delivered the baby. It was already dead; the tiny corpse was wrapped in a cloth and placed next to Harakatmo. Lying in the hospital that evening, she said she considered herself lucky. "When I left my house this morning, I thought I would die."

More will die if health-care systems are not reformed. In the first half of this year,

889 babies were delivered in Freetown's crumbling Princess Christian Maternity Hospital. During that period, 70 women died giving birth, and about eight more women have died since—an astonishing death rate of about 9%. Yet far from being overstretched, the hospital most days feels desultory, with nurses lingering in near empty wards because people cannot afford to pay for care. Emergency maternity care is supposed to be free in Sierra Leone, but in reality, patients are asked to pay for every item, including cotton swabs, gauze and syringes—this in a country where the average income is about \$200 a year. If transfusions are needed, relatives have to donate blood to replace what is used.

One morning I watched a fierce argument between nurses and the relatives of a woman whose unborn baby was already dead inside her. As she sat on a bed awaiting an emergency C section, her relatives pleaded that they could not afford 400,000 leones (about \$135) for the operation. Finally the woman's aunt handed some 250,000 leones (about \$85) to a nurse, who counted the banknotes before jamming them into her pocket, explaining to me that the money was "for drugs and to pay the doctor." Since nurses and doctors earn about \$150 a month, "the staff is struggling to survive," says Peter Sikana, technical adviser for the U.N. Population Fund in Sierra Leone.

#### Care and Prayer

*After giving birth in the Princess Christian Maternity Ward in Freetown, Sierra Leone, Conteh underwent emergency treatment as her infant lay nearby. Nurses scrambled to treat her, and women from a neighborhood church prayed and chanted at Conteh's bedside. It was not enough to save her.*

**In 1985 the World Health Organization estimated that 500,000 women died in childbirth each year**

**By 2005, despite medical advances, that number had grown to 536,000**



**Empty beds** Many women in Sierra Leone can't afford to give birth in a hospital

The scribbled notes from nurses in patient records, many of them in school exercise books paid for by relatives, describe their battles to keep women alive. In one such note, a nurse describes a woman, 18, who arrived at the hospital in late July suffering convulsions days after a traditional birth attendant delivered her baby at home. Four days later, the nurse wrote, "All due nursing care rendered but in vain. May her soul rest in peace." Six weeks later, I find the woman's father sitting outside the tiny family home atop an escarpment that overlooks Freetown. Holding the newborn baby, he says his daughter gave birth at home because "the terrain is too rough to reach the hospital." By the time he carried her, half conscious, down the slope to the hospital, she was too sick to be saved. Even for women who give birth in a hospital, survival is no sure thing. Another woman, 20, was admitted in late July in early labor and began having seizures hours after giving birth. Through the night the nurses scrawled frantic notes, including this one

at 1:30 a.m.: "Dr. was tried ... via mobile [phone] to no avail." The woman died two hours later. I find her husband grinding peanuts in a Freetown market. "She delivered a healthy baby," he says, showing me a photograph of his wife, a tall woman with a confident, beaming smile.

### Hope, for Some

THOUGH MANY DIE IN HOSPITALS, researchers say the riskiest births are those without any nurse, midwife or doctor in attendance—about 35% of all the world's births. In addition to age-old problems like unclean instruments and poor-quality water—in Sierra Leone, I visited a traditional birth attendant who said she had delivered hundreds of babies in a windowless room in a slum of cramped shanties, with no indoor plumbing—there are new hazards. Afghanistan, for example, has seen growing sales of over-the-counter oxytocin, an injectable hormone that is used to stanch postpartum bleeding and speed labor but that can kill if administered incorrectly. Shamisa, a midwife, says that recently a heavily pregnant woman was brought to her rural Badakhshan clinic in a coma after being given a range of drugs by a pharmacist; both she and the baby died.

After millions of deaths and years of muddled government policies, a ground-

**'We will lose two or three more generations, but the core message is one of hope.'**

—GEERT CAPPELAERE, UNICEF  
REPRESENTATIVE IN FREETOWN

swell of distress at maternal mortality rates is at last stirring action. At the July G-8 summit of industrialized nations in Hokkaido, Japan, leaders for the first time discussed maternal deaths as a crucial obstacle to development. And there has been progress. Some poor countries have shown rapid results from investments in maternal health: in Honduras, for example, maternal mortality rates dropped about 50% from 1990 to '97 after officials opened scores of rural clinics and trained thousands of midwives. Nepal and Sri Lanka have trained midwives in emergency obstetrics. In the Indian states of Assam, Madhya Pradesh and Orissa, pregnant women now get 1,400 rupees (\$32) to spend on whatever maternity services they choose—even a taxi ride to a clinic to give birth. Afghanistan has built 1,465 clinics and trained about 19,000 community health workers since the Taliban was ousted in 2001. The incidence of this worldwide tragedy can be reduced.

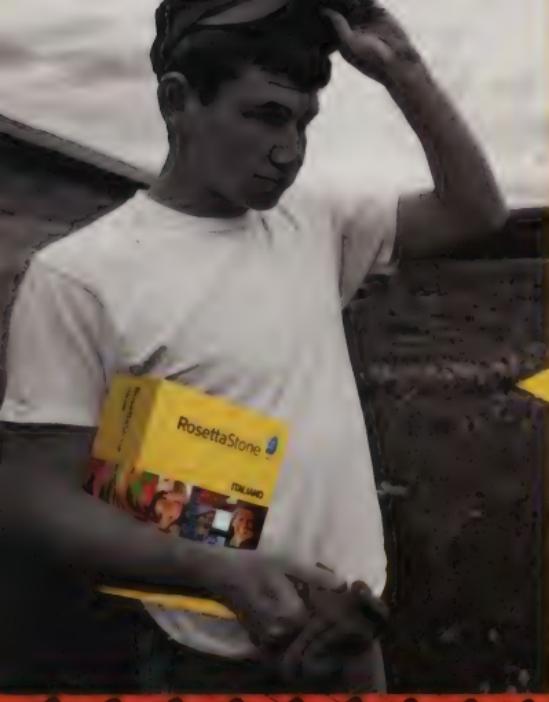
Even in Sierra Leone there are glimmers of hope. Aid organizations recently began training traditional birth attendants; several towns now demand that they deliver babies in clinics, where nurses can monitor their work. An hour east of Freetown, I visited a village where local elders had just passed a law requiring all women to give birth at a clinic or face fines of about \$8—more than the clinic fee. And the World Bank, UNICEF and the British government's Department for International Development have agreed to jointly invest \$262 million over the next three years to overhaul Sierra Leone's shambolic health system. "We will lose two or three more generations," says Geert Cappelaere, UNICEF's representative in Freetown. "But the core message is one of hope."

For some, that hope has come too late. A week after Conteh's death, her relatives gathered to name her baby girl after the dead mother. Weeping, Conteh's parents and her boyfriend hugged and kissed the infant, a bittersweet reminder of their loss. They are not alone. In the time it has taken to read this story, about 20 more women have died in childbirth. —WITH REPORTING BY ARYN BAKER/FAIZABAD AND MELANIE WETZEL/TEGUCIGALPA



### A Human Tragedy

For audio and more photos on maternal mortality, go to [time.com/sierraleone](http://time.com/sierraleone) and [time.com/badakhshan](http://time.com/badakhshan)



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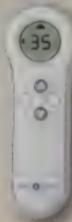


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RELIGION, PAGE 57

# Life

■ CARS ■ RELIGION ■ USER'S GUIDE



**It's electric!** The Chevy Volt, due to hit showrooms in late 2010, is a leap forward for fuel efficiency



## CARS

### Plugged In.

GM's Volt could get the company—and the country—off petroleum

BY BRYAN WALSH

I CAN SEE THE FUTURE OF THE automobile—I just can't hear it. I'm riding around General Motors' secure proving grounds in Milford, Mich., in what from the outside looks like an ordinary Chevrolet Malibu. But inside it couldn't be more different. This car is essentially electric.

powered by a 400-lb. (180 kg) lithium-ion battery—an energy source that is silent and emission-free. GM is betting heavily on the car—evocatively named the Chevrolet Volt—and with good reason. If the idea pays off, it could save the struggling company and, not incidentally, change the way we

all drive. "Developing this car is not for the fainthearted," says Alex Cattelan, the assistant chief vehicle engineer. "But it's so much fun."

To understand why the Volt could be so important to two institutions that have hit hard times—General Motors and the U.S.—all you need to do is visit your nearest gas station, where a gallon of unleaded continues to bob around the \$4 mark. And the oil we burn in transportation releases nearly 2 million tons of carbon dioxide into the atmosphere each year, further warming the planet. The solution "is to move away from oil as quickly and as devastatingly as possible," says former CIA director James Woolsey.

Shifting to electric cars—cheaper and cleaner to run than conventional automobiles—can help make that happen. Though GM has flopped with electrics before, this time it is serious, promising to have Volts in showrooms by the end of 2010—far quicker than the pace of development for a standard car, let alone one whose battery is far from fully proved yet. As with any other new

technology, cost will be a question.

A too expensive Volt might not be the answer for green drivers eager to break their addiction to oil. "If you can get the costs down, it becomes very attractive," says Dan Sperling, director of the Institute for Transportation Studies at the University of California at Davis. "If not, it's going to be a slow slog."

Sleek and aerodynamic yet consciously unsporty, the Volt doesn't look like the auto industry's great leap forward. Nonetheless, Bob Lutz, GM's 76-year-old vice chairman for global product development and the force behind the project, thinks it can be transformative. "We must take the car out of the environmental equation," he says. The Volt, Lutz argues, is

## Hybrid vs. Hybrid. How the cars of the future compare



THE PRIUS



THE VOLT

### TOYOTA

The original hybrid uses both gas and electric engines to get the best fuel economy of any car in the U.S. today—and it costs less than the Volt's target price

### WHAT'S NEXT

Future versions will be plug-ins—but are unlikely to have the Volt's all-electric range

### GENERAL MOTORS

The Volt is an extended-range electric vehicle: it's powered by electricity, with what amounts to a gasoline-fueled electric generator for longer drives

### A QUESTION OF COST

Critics love the Volt technology—but they wonder if the car will be affordable

just the innovation to do that.

Here's how: a traditional hybrid like the Prius has two means of propulsion—one electric motor run by a battery and one engine run by gasoline. The battery can't take you very far—maybe 7 or 8 miles (11 to 13 km)—which is why the gas engine is the main power source. But as you drive, the battery

the battery, much as an emergency generator in a hospital keeps the lights on during a blackout. This allows you to go an additional several hundred miles before you need either a fill-up or a charge-up. The "range anxiety" that handicapped electric vehicles in the past could be sidestepped. "With [past electrics], people had to change the way they lived," says Andrew Farah, the Volt's chief engineer. "I want

picks up extra juice, mostly courtesy of what's known as regenerative braking: collecting the heat produced whenever you hit the brakes, converting it to electricity and storing it in the battery. The result? Less gas used on every trip.

The Volt will be powered by an electric motor, running on its new lithium-ion battery. (Most traditional hybrids use nickel-metal hydride batteries, less expensive but less powerful.) The new battery will allow the Volt to go up to 40 miles (65 km) on a single charge without using a drop of gas. If you're like the nearly 80% of Americans who drive less than 40 miles a day, that would mean effectively eliminating gasoline from your life. After 40 miles, the Volt's gas engine switches on, producing electricity and feeding it to

a vehicle that doesn't ask them to change at all."

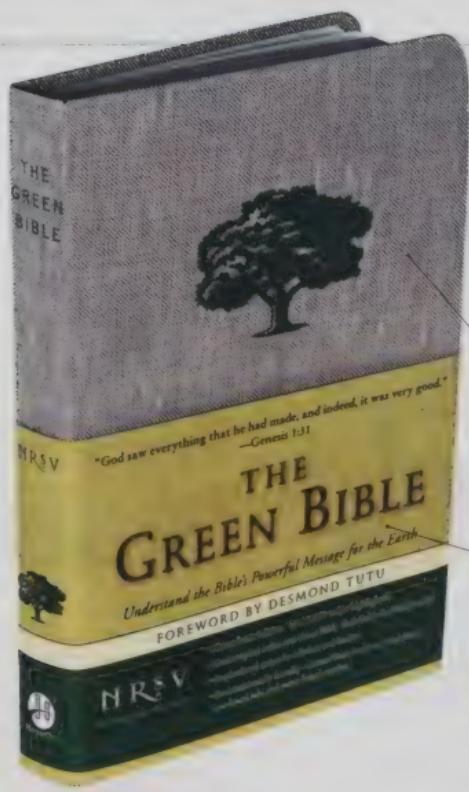
Other carmakers, including GM's bête noire Toyota, have plans for plug-ins. But those will essentially be souped-up versions of today's hybrids, with more powerful batteries that can be recharged from a wall socket—like the Volt—but that won't drive the vehicles by themselves. Gas will be a much smaller part of the equation for the Volt. That potential has many drivers eager for the car: an unofficial waiting list already exceeds 30,000

people. "Driving without any gas—that's the amazing idea," says Lyle Dennis, a New York City doctor who started the popular fan site GM-Volt.com.

Still, the car has yet to prove it can work. The sticking point is the lithium-ion battery. GM wants to have it fully proved for 150,000 miles (240,000 km) of driving by the time the Volt is ready to be sold, and though the battery has been testing well, it still has a way to go. Even if the technology is ready by the end of 2010, sticker shock could be a big hurdle. Lutz says he's "shooting for \$40,000 or less," which would still be a stiff price for what is, high tech aside, a family car. Menahem Anderman, founder of Total Battery Consulting, doesn't believe the 2010 deadline can be met at any price and predicts it will take GM four to five years to develop and test new lithium-ion packs. "I'd like to be wrong," he says.

Which raises the question: Is GM being too ambitious with the Volt? Drivers looking for an economical way to reduce their gas consumption might think so; if the Volt's price is indeed so high, they'll be hard-pressed to earn back the premium via gas savings. And some experts believe the best method of increasing fuel economy lies in simpler, cheaper improvements to existing gas engines. "That will give you the biggest bang for your buck," says David Friedman, research director of the Union of Concerned Scientists' Clean Vehicles Program.

Friedman may be right in the short term, but if the U.S. is to truly break its addiction to oil, electric cars are the way to go. GM deserves credit for taking a risk, because risk-taking is the only way we will change a transportation system that is sinking us economically and environmentally. "We're thinking beyond what others are thinking," says Lutz. That's the right place to be. —WITH REPORTING BY COCO MASTERS, YUKI ODA AND MICHIKO TOYAMA/TOKYO



## RELIGION

# The Good Book Goes Green.

A color-coded Bible is geared to environmentalists

BY DAVID VAN BIEMA

GREEN RUNS THROUGH THE Bible like a vine. There are the Garden and Noah's olive branch. The oaks under which Abraham met with angels. The "tree standing by the waterside" in Psalms. And there is Jesus, the self-proclaimed "true vine," who describes the Kingdom of Heaven as a mustard seed that grows into a tree "where birds can nest." He dies on a cross of wood, and when he rises Mary Magdalene mistakes him for a gardener.

Now there is a Bible trying to make gardeners of us all. On Oct. 7, HarperCollins is releasing *The Green Bible*, a Scripture for the Prius age that calls attention to more than 1,000 verses related to nature by printing them in a pleasant shade of forest green, much as red letter editions of the Bible encrison the words of Jesus. The new version's message, states an introduction by Evangelical eco-activist J. Matthew Sleeth, is that "creation care"—the Christian catchphrase for nature

conservancy—"is at the very core of our Christian walk."

Using recycled paper with soy-based ink, *The Green Bible* includes supplementary writings by, among others, St. Francis of Assisi, Pope John Paul II, Desmond Tutu and Anglican bishop N.T. Wright. Several of these essays cite the Genesis verse in which God gives humanity "dominion" over the earth, a charge most religious greens read to mean "stewardship." Others assert that eco-neglect violates Jesus' call to care for the least among us: it is the poor who inhabit the floodplains.

Not all buy creation care's centrality. Says Southern Baptist leader Richard Land: "Sure it's important, but when they asked Jesus what was most important, he said, 'Love your God, and love your neighbor

as yourself.' He didn't say anything about creation."

But Land is fighting the tide. Mainline Protestants have long been green, and a Pew Foundation study recently found that 54% of Evangelicals—and 63% of those ages 18 to 29—agreed that "stricter environmental laws and regulations are worth the cost."

There is one catch. The conservative Christians who drive Bible sales don't tend to favor the New Revised Standard Version (NRSV) used in *The Green Bible*. Yet publisher Mark Tauber thinks green Evangelicals will leap the nrsv fire wall. He adds cheerfully: "I wouldn't be surprised if you see so-called big Bible publishers come out with a green edition." If you want to grow a biblical tree where birds can nest, this is a good way to start.

Deuteronomy 20:19-21:14  
"If you besiege a town for a long time, during war against it in order to take it, you must not destroy its trees by wielding an ax against them. Although you may take food from them, you must not cut them down. Are the people in the field human beings that they should be under siege from your army? You may cut down the trees that you know do not yield food, and you may cut them down."

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# Still Life with Video

Nikon's new camera lets you shoot pictures like a pro and take high-def video like an amateur



**R**ECENTLY, NIKON SENT me its new break-through D90—the first digital, single-lens reflex camera that also shoots high-definition video. I immediately ran it over to my neighbor Kupcake Bentley, the macho photographer, to get his take.

It's pretty well known that professional photographers are weird, which is why I worship them. They are persnickety about all things yet have pulses that never exceed 60 beats a minute. Who else, on seeing men, women, children and livestock fleeing, would run in the direction of the horror? Kupcake (whose real name is Dean) is typical of the breed. When he was a younger man, he used to ride his bike 80 miles (130 km) to his job, along the freeways of Southern California. Then he'd ride home

and work out. I tell you all this to qualify Kupcake as a man who's not easily impressed.

After putting the D90 through its paces for a while, he said, "It blows away the \$5,400 camera I got seven years ago." Kupcake shook his head mournfully, which he often does, though he's rarely sad. "It destroys it. It decimates it."

Like most professional photographers, Kupcake has a lens for every occasion. He slipped a shallow-focus 85-mm 1.4 Zeiss onto the Nikon body, and we watched through the 3-in. (8 cm) LCD screen as he

shot some dazzling video of a bowl of bananas. One of the remarkable things about the D90 is that you can shoot video through virtually any Nikon-compatible lens—from fish-eyes to telephotos—going all the way back to the 1960s. "You can shoot video from superwide to frickin' long—like paparazzi-style Britney Spears stuff," said Kupcake. Just try doing that on your home video camera. Oh, wait: don't—because you can't.

Of course, this is still version 1.0 of what's bound to be a long line of cameras

## PRO & CON

**Good for making short videos of the kids playing soccer, not so good for recording the entire school play**

from Nikon, Canon and others that will also shoot video. The D90 does have its limitations. At HD quality, you can shoot for only about five minutes before the image sensor overheats. (You can step down the quality and get 20 minutes of shooting time.) You'll need at least an 8-GB SD card for video, since five minutes of HD can chew up a full 600 MB of space. Likewise, autofocus doesn't work after you start shooting; that means if you're following a target that moves closer or farther, you'll need to focus manually, which can be a nuisance.

So think of the D90 as a great camera that does a very cool and occasionally useful parlor trick. Perfect for shooting snippets of the kids playing soccer, not so good for shooting the entire school play. But as a still camera, its price (\$999.95 without a lens, or \$1,299.95 as a kit with a Nikkor 18-mm to 105-mm image-stabilization lens) is hard to beat.

Like most digital cameras in this class, it comes with an automatic PHD (push here, dummy) mode, which takes gorgeous photos—up to four a second. Every aspect of taking a picture can also be isolated and tweaked, satisfying even the pro. Indeed, Kupcake was so blown away, he might buy one himself. "I could shoot professionally with this frickin' camera," he said, looking at me sadly. With digital cameras improving so fast and getting so cheap, so could you.



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# Arts

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## TELEVISION

### It's New to You!

Last year's strike victims get a do-over. Has absence made us fonder?

BY JAMES PONIEWOZIK

JOURNEY WITH ME TO THE SEPIA-TONED days of fall 2007. An innocent nation grappled with the news that Dumbledore was gay. Hillary Clinton girded for her inevitable presidential race against Rudy Giuliani. And the networks, after launching a roster of fall shows to anemic ratings, were hit by a three-month-long writers' strike.

The networks faced two problems. Their highest-profile new shows were unable to air complete seasons. And the strike disrupted development, giving them little new product to launch in fall 2008.

The two-birds-with-one-stone solution: bring back fall 2007! The networks kept many of their new shows off the air after the strike, and are now relaunching them after a long absence for a "do over" season. The pitch: Remember all those shows you were mildly interested in last fall, America? We bet you'll be even *more* mildly interested in them this fall!

In some cases, you actually might be. Spy comedy *Chuck* (NBC, Mondays, 8 p.m. E.T.) returns like an old friend back from a year abroad: still likable,

**Happy returns?** Clockwise from top: Practice's Kate Walsh; Lewis and Sarah Shahi in *Life*; DSM's Krause; Daisies' Pace; *Chuck's* Levi; *Okja of Heroes*

still funny, but with an added note of intrigue. Chuck Bartowski (Zachary Levi) is a salesman in the Nerd Herd of a big-box electronics store. One day he gets an e-mail that implants his brain with the U.S. government's classified data bank. Overnight, he becomes a conscripted secret agent and a marked man. (Remember, people: Never open unfamiliar attachments!)

The premise is so frothy you could destroy it by blowing on it, but the show is a delight, driven by Levi's geek charm and Chuck's tentative romance with his fed overseer, Sarah (Yvonne Strahovski). The new episodes quickly jump back in, with higher stakes and sharper jokes, and creator Josh Schwartz hasn't let the strike stop him from developing Chuck's character. He's gone from nebbish-out-of-water to nerdily assured operative, capable of seducing an enemy agent over cocktails with high-IQ trivia banter ("... and that is the true history behind the croissant").

Like *Chuck*, NBC's *Life* should have an advantage returning poststrike: its episodes are also designed to be enjoyed individually, with simple ongoing plots. This format was in vogue at the networks in 2007, a step back from complicated serials like *Lost* that virtually demand a postgraduate degree to watch. The strategy amounts to unintentional strike proofing, since it requires viewers to remember less mythology. Like canned peas, these shows are just as enjoyable after a year on the shelf.

But that approach risks some loss of flavor. In *Life* (Fridays, 10 p.m. E.T.; preview debut Sept. 29), Damian Lewis plays Charlie Crews, a cop wrongly convicted of mur-

der who returns from jail with a big cash settlement and a Zen outlook. Because of Lewis' brilliant portrayal of the eccentric Charlie, the show is perfectly enjoyable. It's just not compelling, mainly because the ongoing story of Charlie's search for justice is so isolated from the rest of the show that it seems meant for bathroom and snack breaks. *Life* could disappear for five years, and I'd probably enjoy it just as much again. But I wouldn't spend a minute of those five years thinking about it.

### **Chuck returns like an old friend back from a year abroad: still likable, but with an added note of intrigue. Time has been less kind to Practice**

NBC's comic-book serial *Heroes* (Mondays, 9 p.m. E.T.) debuted in 2006, but after the network aborted an atrocious second season halfway through—more a mercy killing than a hiatus—Season 3 is every bit as much a do-over. The premiere picks up directly from 2007's ending, and where last season moseyed toward reuniting its everyday superheroes, Season 3 gets them in the mix immediately. In particular, it keeps fan-favorite Hiro (Masi Oka) busy after stranding him in medieval Japan last season.

*Heroes'* canvas is too vast to tell if the show is fixed yet. One weakness is the need for better villains. Uber-baddie Sylar (Zachary Quinto) is up to his old tricks; his menace and mission (stealing superheroes'

powers by killing them) are too familiar to be scary anymore. He's a popular villain, but Season 3 will have to figure out how to avoid becoming his hostage.

### **Doctors, Darlings and Daisies**

ABC, MEANWHILE, HAS THE BIGGEST CHALLENGE, bringing back two heavily serial soap operas whose twists and turns many have probably long forgotten. *Private Practice* and *Dirty Sexy Money*, both returning Oct. 1, open with ham-handed, if unavoidable, exposition scenes reminding us who the characters are and why we care.

Time has been least kind to *Grey's Anatomy* spin-off *Practice* (Wednesdays, 9 p.m. E.T.). After nine tepid episodes (and a subpar season of *Grey's*) last year, there's less reason than ever to care about the dramatics and quirky cases of sexy doctors at a ritzy "wellness center," and the return episode trudges along like a 44-min. chore (even if there is some resonance, in this pregnancy-besotted election season, to the reproductive-medicine subject matter).

*DSM* (Wednesdays, 10 p.m. E.T.)—about Nick George (Peter Krause), who becomes in-house lawyer to the rich, tabloid-fodder family the Darlings—started fall 2007 sassy and slick but became increasingly earnest and torpid as it went on. The producers decided, astutely, that it needed to return dirtier and sexier, or there would be no mo' money. The return episode is also funnier and dumber, in the best sense: it's the kind of show in which a jilted wife confronts her politician husband with a golf club in the shower over his tranny lover. It's stripped from the tabloids approach is nothing new, but it's well done, and a little familiarity won't hurt the show's chances.

No one would accuse *Pushing Daisies* (ABC, Wednesdays, 8 p.m. E.T.; returns Oct. 1) of overfamiliarity. Piemaker Ned (Lee Pace) can raise the dead by touching them. If he touches them again, they die again; if he leaves them alive for a minute, someone else dies. He reanimates his childhood crush, Chuck (Anna Friel); they fall in love but can never touch. And they solve murders! (The return episode spends about seven minutes re-explaining the premise.)

Yet *Daisies'* fairy tale story is so unlike anything else on TV that it seems new even a year later. Unveiling one dazzling image after another (Chuck is a beekeeper, and when her colony fails, she pours a bucket of bees over Ned; when they return to life in a shower of sparks), *Daisies* has a timeless, picture-book look. It could be set today, in the '70s, in the '90s or in any other decade fond of saturated color. Like Chuck herself, it's a perfect candidate for a second chance: as glowing and lovable as the day we first met it. You'd never believe it used to be dead. ■



**Old Money, new Money** *Dirty Sexy Money* returns from hiatus, a little bit truer to its name



#### APPRECIATION

## The Death of a Genius.

David Foster Wallace captured the essential loneliness of American life. But he couldn't escape it

BY LEV GROSSMAN

**WHAT WOULD YOU WRITE IF YOU COULD** write absolutely anything? This is the question that, as a reader, one imagined David Foster Wallace facing. Whereas ordinary authors resorted to the standard tricks of the trade—write what you know, look deep into your soul, whatever—Wallace seemed to have no earthly constraints. He knew everything and could look into anybody's soul he wanted to. Any writer in America would have killed for his talent, but the man

to whom it belonged killed himself. On Sept. 12, Wallace's wife discovered his body at their home in Claremont, Calif. He had hanged himself. He was 46.

He was David Foster Wallace only on the page. His first agent suggested that he use his middle name, to distinguish him from another David Wallace, and it stuck. Born in 1962 and raised in Illinois, he was a competitive junior tennis player—at 14 he was ranked 17th in the Midwest. He studied philosophy at Amherst College and then Harvard, and when he was only 24, he published his first novel, *The*

*Broom of the System*. In 1996 he vaulted into the upper ranks of the literary world with *Infinite Jest*, his 1,079-page (and 388-footnote) meta-epic of tennis, drug addiction, art, terrorism and loneliness set in a future when each year is known by the name of its corporate sponsor (e.g., the Year of the Trial Size Dove Bar). *Infinite Jest* was the quintessence of 1990s literary maximalism, and it became instant required reading. Enough with those '80s party-boy writers! Here was a novelist with the industrial-strength intellectual chops to theorize even our resolutely anti-intellectual age. Wallace became a reluctant literary pinup, with his stubby outsize chin and his shoulder-length hair. He was America's No. 1 literary seed, at the top of a hierarchy that was, one suspects, largely meaningless to him.

Reading it now, with the burden of hindsight, one sees that *Infinite Jest* is ominously infested with suicides, including that of the hero's father, who cooks his own head in a microwave. But back then, Wallace seemed invulnerable. How could a man who had put such crowds of people on the page—Wallace's ear for dialogue was unmatched in contemporary fiction—truly be lonely? Once you've gone inside the mind of a critically burned toddler, as Wallace did in his short story "Incarnations of Burned Children," what horrors can't you face? When he accepted a professorship of creative writing at Pomona College in 2002 and then got married in 2004, one imagined that his relentlessly generative genius might finally be undergoing some domestic mellowing.

Now we have some idea what it was that he couldn't face. Since his death, Wallace's family has stated that he was chronically depressed. He had been taking medication for his condition for 20 years and had occasionally been hospitalized. "Everything had been tried," his father said, "and he just couldn't stand it anymore."

What was "it"? In *Infinite Jest* Wallace wrote—in a passage that now reads like a lucid cell-phone call from the pilot of a crashing 747—that clinical depression is "lonely on a level that cannot be conveyed... Everything is part of the problem, and there is no solution. It is a hell for one." What Wallace suffered was both agonizing and indescribable, even by him. And that last may have been what made it unbearable. Like Hamlet—who gave *Infinite Jest* its title—he had that within which passeth show. Even if he could have written on and on, an infinite number of words, it would never have been enough.

# Brief Lives.

Two true stories about parents losing children, one to death, the other to madness

BY LEV GROSSMAN



FIRST LINE  
On July 5, 1996, my daughter was struck mad.



FIRST LINE  
Once upon a time, before I knew anything about the subject, a woman told me that I should write a book about the lighter side of losing a child.

THE MID-1960S TO THE MID-1970S were the heyday of the crazy girl book: books by and about young women who lost their minds. Sylvia Plath's *The Bell Jar*; Joanne Greenberg's haunting *I Never Promised You a Rose Garden, Go Ask Alice*, *Sybil*. There were books about crazy boys too, of course, such as Mark Vonnegut's *The Eden Express*. But that's just boys. Everybody knows they're crazy. There was something disturbingly, voyeuristically hypnotic about those hippie Ophelias—electrode paste on their temples beneath their center-parted hair, Jefferson Airplane on the sound track, psychedelic chaos in their brains.

The genre they founded has lived on, and each decade has given it a different period savor. The 1990s produced slacker crack-ups like *Girl, Interrupted* and *Prozac Nation*. Now, in the 2000s, we have *Hurry Down Sunshine* (Other Press; 234 pages), Michael Greenberg's account of his daughter Sally's psychotic break, which she experienced at the tragically precocious age of 15.

Sally had always been odd. She dressed eccentrically. She stayed up till all hours reading Shakespeare and scribbling in notebooks. But on July 5, 1996, something in her mental chemistry passed a tipping point. She started accosting strangers on the street. She frightened her friends. She was certain she was on the verge of titanic revelations that she had a duty to share with the world. Her sentences became tangled strings of self-devouring wordplay. "People get up set when they feel set up," she told Greenberg. "Do you feel set up, Father?"

Greenberg took her to an emergency room, and with inexorable swiftness Sally was ingested by the medical world, pronounced psychotic and committed to a locked ward. Greenberg joined the ranks of huddled pilgrims who lined up every day for visiting hours. (One

morning he took artichokes to Sally. "Art makes you choke, Father," she said. "You should give it up. It's a false god who causes you nothing but pain.") As Sally's life fell apart from the inside out, Greenberg's began collapsing from the outside in. He fought with his wife, Sally's stepmother. He drank. As a freelance writer, he had no health insurance; the first bill for Sally's meds came to \$724.

There is a dancing, dazzling siren seductress at the heart of this book and of all books like it, and it is not Sally (or *Sybil* or *Sylvia*) but mad-

ness itself. When Sally turns manic, it's as if some interstellar alien god is speaking through her, and you hang on to its every word. As a person, you want her to get better, but as a reader, you can't get enough of the crazy. ("Mania is a glutton for attention," says Dr. Lensing, Sally's gifted therapist. "It craves thrills, action, it wants to keep thriving, it will do anything to live on.") It's the old Romantic lie of mania, that it represents a heightened version of the self, a genius too great to be comprehensible. But the siren is a mon-

**The siren at the heart of this book is madness itself. As a person, you want Sally to get better; as a reader, you can't get enough of the crazy**



His daughter's keeper Greenberg's child was pronounced psychotic at 15

ster, and its song is just an endless chain of meaningless epiphanies and empty fireworks.

The terrible irony of *Hurry Down Sunshine* is that you can hear in Greenberg's beautiful figurative language the not-so-distant echo of Sally's manic speech. They're both full of surprise metaphorical connections ("her eyes turn to polished coal") and abrupt right-angle turns. His literary talent is not unrelated to her curse: the startling associative imagery that gives his writing its power is like a domesticated version of the madness that nearly carried away his daughter's life.

**GREENBERG'S DAUGHTER LOST**  
her mind. Elizabeth McCracken's son never had time to find his. He died in her womb when she was nine months pregnant. There can be few grimmer topics for a book than a stillborn baby, but I'll say this for McCracken's memoir, the unwieldily titled *An Exact Replica of a Fugment of My Imagination* (Little, Brown; 192 pages): it's the funniest book about a dead baby that you will ever read.

McCracken is a novelist (*The Giant's House*), and *Fugment* is the story of her pregnancy, her grieving and finally the birth of her second child, a baby boy, a year later. It is, as McCracken writes, "a story so grim and lessonless it's better not to think about at all." But reading it is a mysteriously enlarging experience. It could pair neatly with Joan Didion's *The Year of Magical Thinking*: it's hard to imagine two more rigorous, unsentimental guides to enduring the very bottom of the scale of human emotion.

At the extreme depths that McCracken plumbs, language itself breaks down. "Was I a mother?" she asks herself, and after the baby's death but before its birth, "Was I pregnant? There should be a different word for it, for someone who hasn't yet delivered a dead child." But McCracken's sense of humor doesn't fail; it merely turns an inky black. An intern assigned to check her cervix "rummaged around in the manner of an unhappy wife looking for a wedding ring in a garbage disposal." When McCracken and her husband leave the hospital after the disaster, a black cat crosses her path. "You're too late, mate," her husband says. ■

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## Downtime

### 5 Things You Should Know About. Darth Vader's apprentice, a Duchess of Devonshire and an indignant Roth



#### VIDEO GAMES

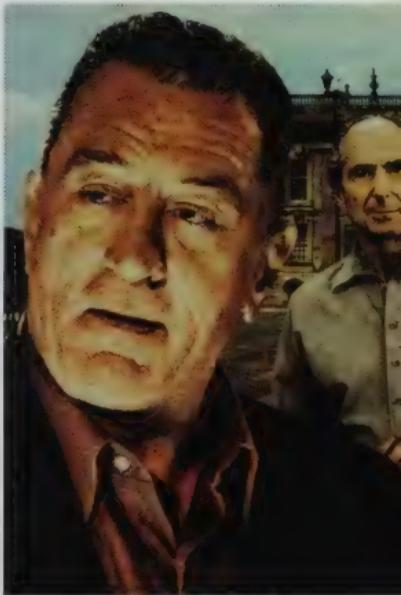
**Star Wars: The Force Unleashed** LucasArts; out now

You're Darth Vader's apprentice. When somebody tries to mess with you, you don't initiate trade negotiations—you unleash the Force on his puny, goody-good Jedi ass. You shock him, you boomerang your lightsaber at him, you grab him by the midi-chlorians and chuck him off a cliff. It's an authentically dark *Star Wars* tale and the perfect antidote to years of Ewok-flavored cuteness. **A**



#### MOVIES

**The Duchess** Directed by Saul Dibb; rated PG-13; out now  
Georgiana, Duchess of Devonshire (Keira Knightley), was an 18th century scandal magnet for having both a swine and a swain—an icy, cheating husband (Ralph Fiennes) and a Whig politician lover (Dominic Cooper). This middling drama is less a history lesson than a tour of sumptuous real estate. The loveliest acreage is Knightley's alabaster back. **C+**



By Richard Corliss, Lev Grossman and Radhika Jones



GOOD MORNING.



## MOVIES

**Righteous Kill** Directed by Jon Avnet; rated R; out now. Robert De Niro and Al Pacino, twin heirs to Marlon Brando's Method mantle, play New York City detectives on the trail of a cop who's a serial killer. The first movie in which the stars share prime screen time could have been an event—if it had happened 30 or 20 even 10 years ago. Not now, not here. Instead of a World Series of acting, we get a wan Old Timers' Game. **C**

## BOOKS

**Ms. Hempel Chronicles**  
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Bynum's dreamy,  
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book, her prose tacks  
traditional but sacri-  
fices none of its lilting  
charm. Ms. Hempel is a  
seventh-grade English  
teacher besotted by her  
students but ambivalent  
about her profession;  
Bynum's portrayal  
makes this humanist  
appealingly human.  
It's a pleasure to be in  
her class. **B+**



**BOOKS**

**Indignation** By Philip Roth;  
out now

A young Newark, N.J., Jew heads off to college to grapple with the alien demands of the *goyische* world in this bizarre, flawed little book. Told in flat, uninflected prose—it reads like *Portnoy's Complaint* on sedatives—it's full of huge chunks of undigested philosophy and dialogue that could not possibly be spoken by a human being. It's hard to believe Roth used to be witty. **D**



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# Gibbs

## Life and Death. Advances in science are altering what it means to be human. So why aren't the candidates talking about it?

IMAGINE IF THE PRESIDENTIAL CANDIDATES WERE WILLING to talk frankly about the things that affect us most: not just guns and butter, but also life and death and the hard choices our next President will have to help us make. It would be a revealing debate, with questions like these:

For Barack Obama: Democrats have long argued for greater reproductive freedom. Do you think that should include the right to choose the sex of your child? The same genetic tests that screen for terrible diseases could in theory target many other predispositions. What if prospective parents could screen for short or shy or gay or blond? This is a largely unregulated universe of treatment; should it be?

For John McCain: About 8,000 people may die this year waiting for organ transplants. Do you think the free market should include kidneys? You've said human rights begin at conception. But fertility clinics create excess embryos that are frozen and often discarded, which you've favored using for research. So are some embryos more equal than others?

And for both: Would you forcibly quarantine people during a pandemic? Should police at a crime scene be allowed to ask everyone in the area for a DNA sample? Scientists around the world are building robots with real brain tissue; inserting a fish gene for cold tolerance into tomatoes; breeding bacteria that can eat oil spills. Should we be worried that we often learn what is happening in the labs only when the results come out of them?

I understand why the candidates don't want to go near these issues. "Sympathy and subtlety," notes Tom Murray of the Hastings Center for bioethics, "are seasonings rarely applied to political red meat." We have reached a point in our political discourse when candidates are punished less for flatly lying than for changing their minds. You can caricature your opponent, airbrush your record, come close to just making things up and suffer less than if you're caught with a belief that has evolved. The political term for *flexible* is *flip-flopper*.

And yet the issues before us require both a hunger for truth and a humility about recognizing it, because progress can sprint right past our ability to process it. Blood transfusions were considered creepy before World War II. Transplant a heart? That's not just a pump, critics said; it's the seat of your soul. You hardly ever hear the chilly term *test-tube baby* anymore, because what was

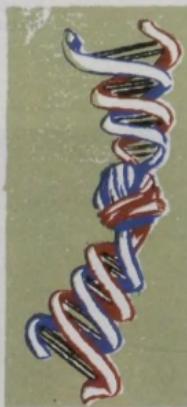
once odd and unnatural is now a routine salvation to millions of childless couples.

So now we fight over stem cells in a war full of cautionary tales. Most Democrats, and some Republicans, have pushed for full federal funding of embryonic-stem-cell research, an issue so hot it tipped some close 2006 midterm races. But since then, the biggest breakthroughs have come in techniques that do not use embryos at all but instead reprogram adult cells. Do proponents look reckless for putting all their emphasis on embryos, which even some prominent scientists find morally troubling? Or prescient, because the basic knowledge gleaned from embryo research is what may help make it unnecessary someday?

At the moment, McCain seems determined to keep us confused about where he really stands. He has voted to fund research on leftover fertility-clinic embryos, but his website says he favors experiments that "do not involve the use of human embryos" at all. His party platform calls for an outright ban on all embryo research, public or private. Meanwhile, a McCain-Palin ad lauds the pair as the "original mavericks" for supporting "stem-cell research to help free families from the fear and devastation of illness." But that's not courage; it's camouflage. Everyone favors adult-stem-cell research: the only fight is over experiments that destroy embryos.

Joe Biden was no better in his coarse challenge to Republicans who promise to help parents of children "born with a birth defect." "Well, guess what, folks?" he said. "If you care about it, why don't you support stem-cell research?" Well, they do; just not all the forms that he supports. You can argue that embryo research should proceed anyway; you can argue about where federal funds should go, or whether embryos should be created specifically to experiment on them. But no one is served when politicians blur their positions or distort their opponents' or pretend the issue is simpler than it is.

Among the demands of presidential leadership in the 21st century is this: Are you prepared to lead this conversation as an honest broker? Balancing risks and rewards is a medical challenge; redefining what we mean by being human is a moral one. And figuring out where to draw the lines must be a political one.



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